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Exelon Sustainability Report 2023

Powering a cleaner and brighter future

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Cautionary Statements Regarding Forward-Looking Information

This report contains certain forward-looking statements within the meaning of federal securities laws that are subject to risks and uncertainties. Words such as "could," "may," "expects," "anticipates," "will," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "predicts," "should" and variations on such words and similar expressions that reflect our current views with respect to future events and operational, economic and financial performance are intended to identify such forward-looking statements. The factors that could cause actual results to differ materially from the forward-looking statements made by Exelon Corporation, Commonwealth Edison Company, PECO Energy Company, Baltimore Gas and Electric Company, Pepco Holdings LLC, Potomac Electric Power Company, Delmarva Power & Light Company and Atlantic City Electric Company (Registrants) include those factors discussed herein, as well as the items discussed in (1) the Registrants' 2023 Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC) on February 21, 2024 in (a) Part I, ITEM 1A. Risk Factors, (b) Part II, ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Part II, ITEM 8. Financial Statements and Supplementary Data: Note 3, Regulatory Matters and Note 18, Commitments and Contingencies; (2) the Registrants' First Quarter 2024 Quarterly Report on Form 10-Q filed with the SEC on May 2, 2024 in (a) Part II, ITEM 1A. Risk Factors, (b) Part I, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations, and (c) Part I, ITEM 1. Financial Statements: Note 11, Commitments and Contingencies; and (3) other factors discussed in filings with the SEC by the Registrants. Readers are cautioned not to place undue reliance on these forward-looking statements, whether written or oral, which apply only as of the date of this presentation. None of the Registrants undertake any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this report. The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. For a discussion of information that is material to the Registrants, please see our filings with the SEC, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

A Message From the CEO

Exelon's theme for the year is "Power of Impact." This is our way of highlighting Exelon's ability to support our over 10 million customers, almost 20,000 employees and all the communities we serve through the energy transition.

Safe, reliable, resilient and secure energy systems and infrastructure are non-negotiable priorities. A successful transition will be necessary to continue to achieve these priorities. Our future grid will be smart, efficient, nimble, bi-directional and more interactive. Investments, policies and utility customer programs that enable economy-wide decarbonization will be needed to support the transition. As we seek financial and environmental benefits for our customers, we must plan for affordable and equitable outcomes, with a focus on workforce development and economic opportunities for all our communities.

I am pleased to share this 2023 Exelon Sustainability Report with you. It represents one of the many ways that we engage with our stakeholders to share information about our recent accomplishments, as well as our long-term plans to transform the systems that power our daily lives.

Exelon's industry-leading operational excellence will provide a strong foundation. In 2023, our utilities continued to perform at high levels, with all utilities achieving top quartile or better outage frequency and outage duration as compared to our peers. Our dedicated workforce, as well as our long-standing commitment to utility infrastructure investment, makes this success possible. Capital investment in our infrastructure and systems totaled $7.3 billion in 2023 with our cumulative investment plan for 2024–2027 amounting to $34.5 billion. In addition, we continue to promote a safety culture here at Exelon through an enhanced focus on education and technology to prevent serious injuries and fatalities.

Our Path to Clean program remains on track to reduce operations-driven greenhouse gas (GHG) emissions by 50 percent by 2030 and to achieve net zero by 2050. In 2023, we continued to make investments and take actions to reduce GHG emissions related to our natural gas distribution systems, electric transmission and distribution infrastructure, building energy usage and vehicle fleet, which is now 17 percent electrified. In light of the importance of climate change, we took an additional step to link executive and employee compensation to Path to Clean progress in the form of an annual incentive plan (AIP) responsible business modifier. The modifier also reflects Diversity, Equity and Inclusion progress on initiatives including diverse slates of candidates for employment, spend with diverse businesses and employee engagement. I am pleased to report that Exelon's employees met the challenge in 2023 and achieved our AIP modifier targets.

Path to Clean is not only about what Exelon can do within its operations, but also what we can do to support our customers and communities as they reduce their respective GHG emissions. As of 2023, our utility Green Power Connection programs have connected more than 237,000 customers and over 3,500 megawatts (MW) of local customer solar and renewable energy to the grid. Our utility energy efficiency programs also achieved significant results for customers by saving 26.5 million megawatt hours (MWh), equivalent to avoiding over 9.8 million metric tons of GHG emissions. As part of our focus on climate change, we also continued work on adaptation and transition planning in 2023, with particular emphasis on prioritizing equity through the transition.

> "Exelon's theme for the year is "Power of Impact." This is our way of highlighting Exelon's ability to support our over 10 million customers, almost 20,000 employees and all the communities we serve through the energy transition.

Central to a successful energy system transition is workforce development and education. In 2023, we invested over $18 million to support our industry-leading workforce development programs, including Exelon's infrastructure academies. I am also proud of Exelon's $36 million Community Impact Capital Fund to support equity and provide more economic opportunities to businesses in the communities that Exelon serves; since its establishment in 2022, Exelon has invested in six businesses located in our service areas. Our longstanding Diverse Business Empowerment program also continued its record of success in 2023, with nearly $2.2 billion of direct spend with diverse businesses, a $173M increase over 2022. Additionally, we continued our commitment to developing and mentoring diverse suppliers in our local communities, training 37 suppliers through our Empowerment Academy in 2023.

Exelon's Charitable Giving programs also have a strong focus on education, with almost 38 percent of our total $59 million of company and Exelon Foundation giving focused on education in 2023, and nearly 2,000 nonprofit organizations benefited across all giving categories. Our employees engaged in a wide range of volunteer opportunities, logging almost 136,000 hours to support local nonprofits engaged in a wide range of education, community, environmental, health and social services efforts.

The power of impact that utilities can create for customers and communities during the energy system transition represents a once in a generation opportunity. As the energy delivery company with the largest group of metropolitan utilities in the U.S., each of our utilities—Atlantic City Electric Company, Baltimore Gas and Electric Company, Commonwealth Edison Company, Delmarva Power & Light Company, PECO Energy Company and Potomac Electric Power Company—are working as "One Exelon" to drive efficiency and support the interests and needs of the customers and communities in our jurisdictions during the transition and beyond. Each utility will plan and work with its unique jurisdiction in mind. At the highest level, however, our utilities share common objectives for the transition: safe, reliable, resilient and secure energy delivery systems; support for economywide decarbonization; responsive and innovative options and programs to meet customer energy needs with high customer satisfaction; and results that are affordable and equitable.

Moving forward, we remain committed to being the premier utility employer with a focus on high employee safety and engagement, diverse talent and a culture of innovation that seeks out best management practices and embraces the power of new technologies. As always, we cannot make this journey a success without actively engaging with our customers, communities, employees, policymakers and investors to coalesce around a shared vision for transformation of the energy system. We look forward to working with you in 2024 and beyond as we collaborate to create the power of impact.

Sincerely,

Calvin Butler
President and Chief Executive Officer

About Exelon

By the Numbers

9.2 million
electric utility customers

1.4 million
natural gas customers

21.6 million
people in utility service areas

19,962
full- and part-time employees

25,550
square miles of service area

11,164
miles of transmission lines

152,581
miles of distribution lines

92%
revenue derived from electric operations

8%
revenue derived from natural gas operations

95.9%
electricity customers with smart meters

97.2%
natural gas customers with advanced meters

26.5 million
MWh saved in 2023 through utility customer energy efficiency programs

237,000
customers with distributed energy connected

$59 million
in charitable giving

135,800
employee volunteer hours

9,374
acres managed under Wildlife Habitat Council and/or National Wildlife Federation programs

100%
Environmental Management System (EMS) certification

262,780
plug-in electric vehicles operating in our service areas

Our Business

Exelon Corporation (Nasdaq: EXC) is a Fortune 200 company and the nation's largest utility company by customer count, serving more than 10 million customers through six fully regulated transmission and distribution (T&D) utilities—Atlantic City Electric Company (ACE), Baltimore Gas and Electric Company (BGE), Commonwealth Edison Company (ComEd), Delmarva Power & Light Company (DPL), PECO Energy Company (PECO) and Potomac Electric Power Company (Pepco). In addition to the electric T&D services provided by all of our utilities, three of our utilities (PECO, BGE and DPL) also provide natural gas service.[1] In 2023, 92 percent of utility revenues were derived from electric operations and eight percent from natural gas operations.

[1] Since its separation from Constellation on February 1, 2022, Exelon does not own any electric power generation resources.

Powering a cleaner and brighter future for our customers and communities

Exelon's purpose statement underscores our commitment to advancing a better, more sustainable energy future, as well as our commitment to continuously improving the lives of those we serve. We have the opportunity and responsibility to help lead the energy transition, creating a safer, cleaner and more equitable future for all.

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Exelon Family of Companies

atlantic city electric℠
AN EXELON COMPANY

bge℠
AN EXELON COMPANY

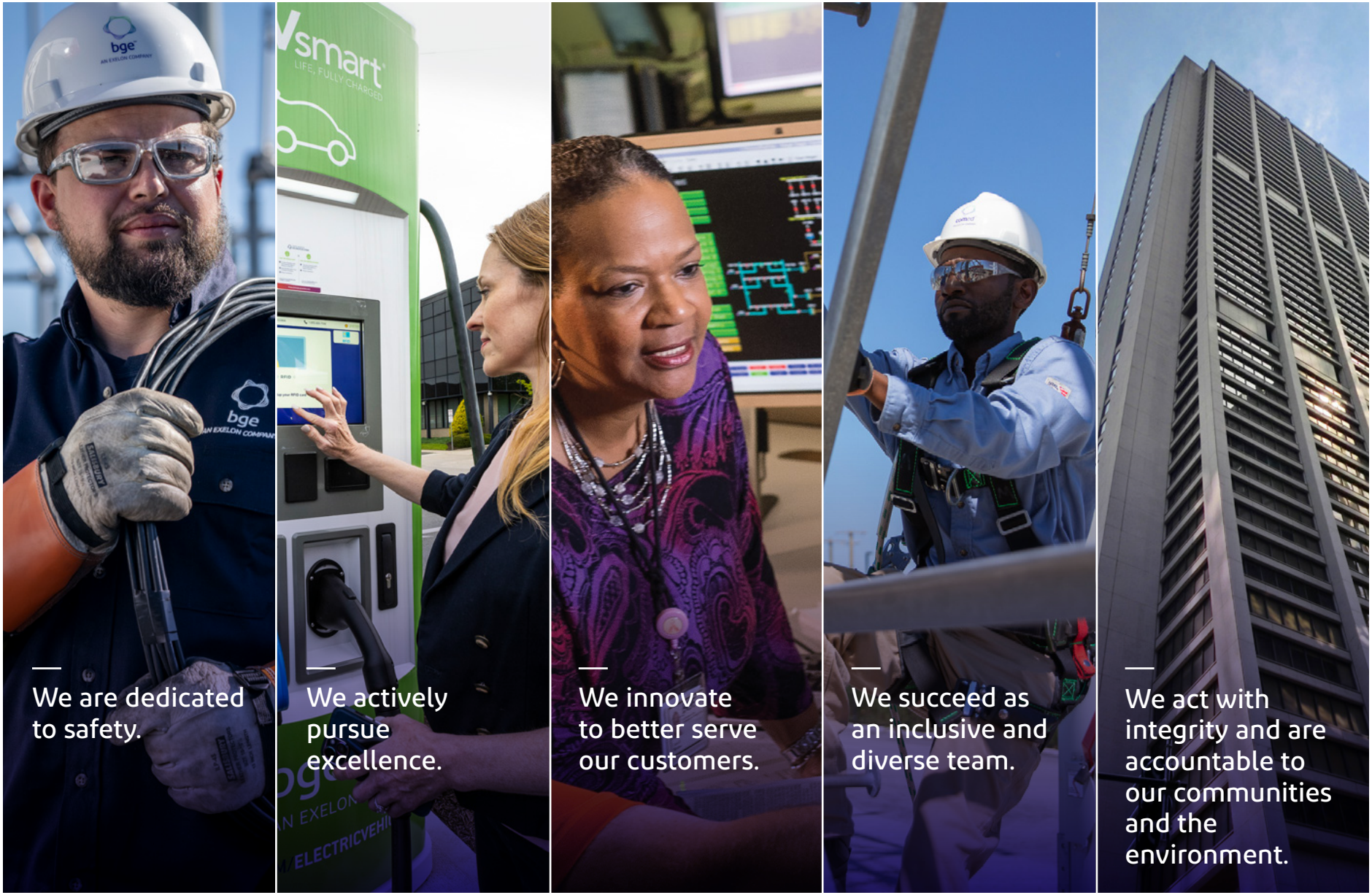
comed℠
AN EXELON COMPANY

delmarva power℠
AN EXELON COMPANY

peco℠
AN EXELON COMPANY

pepco℠
AN EXELON COMPANY

Our Values


We are dedicated to safety.
We actively pursue excellence.
We innovate to better serve our customers.
We succeed as an inclusive and diverse team.
We act with integrity and are accountable to our communities and the environment.

2023 Sustainability Report Approach

The 2023 Exelon Sustainability Report (ESR) details our company's programs and performance in the areas of economic, social, governance and environmental initiatives. Exelon is committed to reporting on our sustainability performance annually. Unless otherwise noted, this report presents information and data that reflect the post-separation footprint[1] of the T&D utilities business for the reporting period January 1, 2023 through December 31, 2023.

We recognize that many stakeholders appreciate the presentation of three years of performance data to assist in understanding trends. As such, we have recast prior data for 2021 and the portion of 2022 during which Constellation's operations were still part of Exelon to isolate Exelon's utilities and provide comparative data for these calendar years. Where applicable, footnotes have been included to indicate our approach to recasting data.[2] In some instances, this report may refer to four rather than six utilities at Exelon. These references occur in instances where we track the performance of Pepco Holdings, LLC (PHI) as a whole, rather than its three subsidiary utilities (ACE, DPL and Pepco).

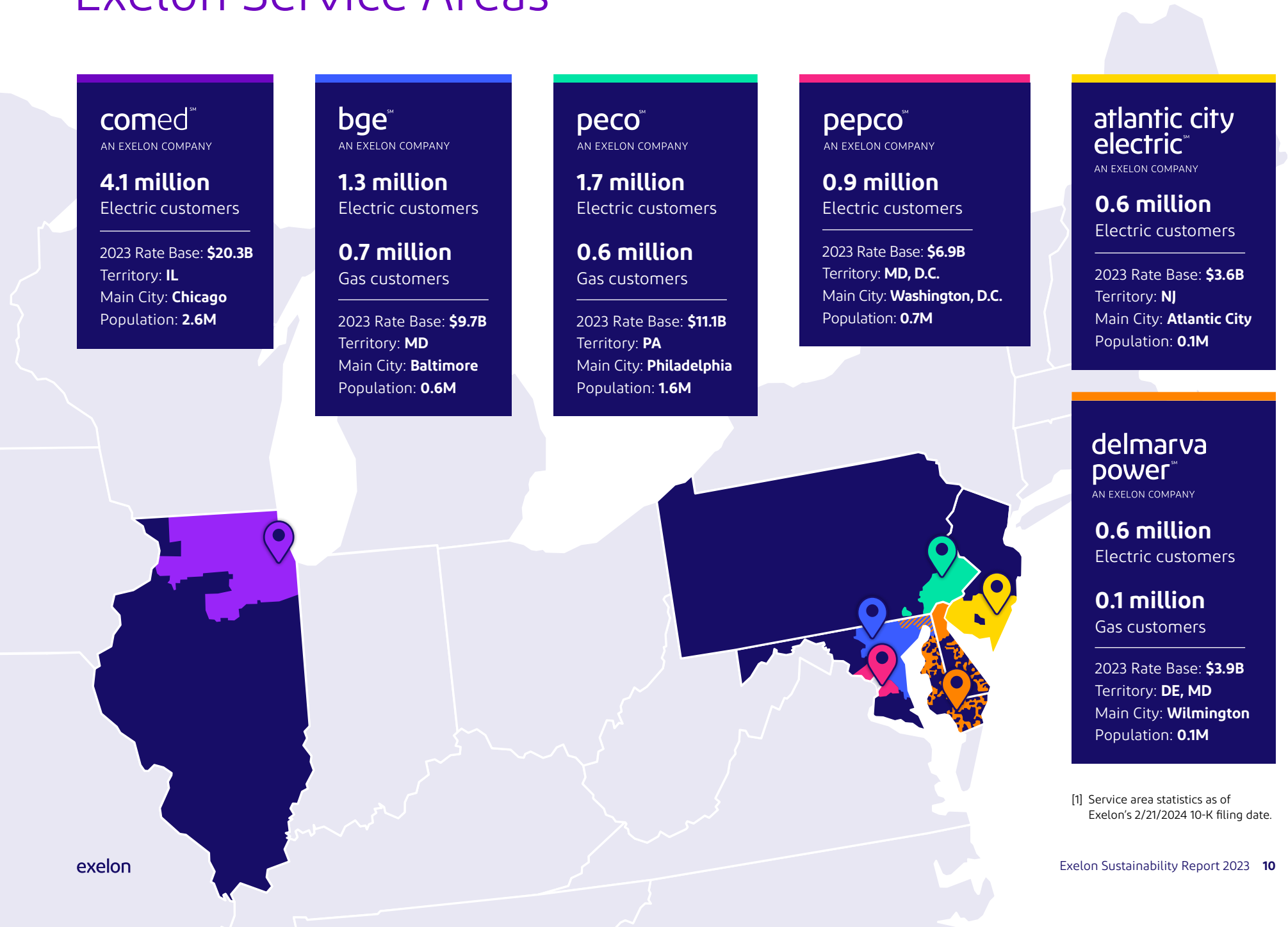
[1] On February 1, 2022, the power generation and competitive energy marketing business that had previously been part of Exelon became a separate publicly traded company (Constellation: ticker CEG). Information on Constellation is outside of the scope of this report.

[2] This report does not discuss how recast data for the post-separation Exelon footprint compares to the pre-separation footprint that included Constellation's competitive power generation and customer-facing energy businesses.

Exelon aspires to follow voluntary reporting best practices, including aligning with the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and the Task Force on Climate Related Financial Disclosures (TCFD). For the first time, we considered the International Sustainability Board's 2023 International Financial Reporting Standards S1 and S2 frameworks in alignment with TCFD. We also engage with an accredited third-party greenhouse gas (GHG) verifier, Lloyd's Register Quality Assurance, Inc. (LRQA), to provide verification of our 2023 GHG emission inventory to a reasonable assurance level for Scope 1 and 2 GHG emissions and to a limited assurance level for relevant Scope 3 GHG emissions.

Verifications are performed in accordance with The Climate Registry General Reporting and Electric Power Sector protocols and/or the GHG Protocol and International Standards Organization (ISO) 14064 standards for the performance of GHG emission verifications. Verification statements, with additional details on verification standards and verification approach, are available on our website and cover Exelon's post-separation footprint (T&D utilities) and related corporate operations. Our executive Exelon ESR Editorial Board reviews our annual sustainability report prior to publication.

Exelon Service Areas[1]



comed℠
AN EXELON COMPANY

4.1 million
Electric customers

2023 Rate Base: **$20.3B**
Territory: **IL**
Main City: **Chicago**
Population: **2.6M**

bge℠
AN EXELON COMPANY

1.3 million
Electric customers

0.7 million
Gas customers

2023 Rate Base: **$9.7B**
Territory: **MD**
Main City: **Baltimore**
Population: **0.6M**

peco℠
AN EXELON COMPANY

1.7 million
Electric customers

0.6 million
Gas customers

2023 Rate Base: **$11.1B**
Territory: **PA**
Main City: **Philadelphia**
Population: **1.6M**

pepco℠
AN EXELON COMPANY

0.9 million
Electric customers

2023 Rate Base: **$6.9B**
Territory: **MD, D.C.**
Main City: **Washington, D.C.**
Population: **0.7M**

atlantic city electric℠
AN EXELON COMPANY

0.6 million
Electric customers

2023 Rate Base: **$3.6B**
Territory: **NJ**
Main City: **Atlantic City**
Population: **0.1M**

delmarva power℠
AN EXELON COMPANY

0.6 million
Electric customers

0.1 million
Gas customers

2023 Rate Base: **$3.9B**
Territory: **DE, MD**
Main City: **Wilmington**
Population: **0.1M**

[1] Service area statistics as of Exelon's 2/21/2024 10-K filing date.

Exelon Performance Data 2021–2023[1][2]

Topic	2021	2022	2023
Financial and Business Results			
Revenue (million USD)	$17,938	$19,078	$21,727
Operating expenses (million USD)	$15,256	$15,761	$17,714
Net income from continuing operations (million USD)	$1,616	$2,054	$2,328
Earnings per average common share from continuing operations—GAAP (diluted)	$1.65	$2.08	$2.34
Customers			
Cumulative Exelon utility customer Energy Efficiency (EE) program savings			
Customer EE savings (million MWh)	22.76	24.76	26.52
GHG emissions avoided by EE programs (million metric tons CO_2e)	8.75	9.52	9.81
Green Power Connection			
Customer renewables connected (MW)	2,660	3,089	3,515
Customers with renewables systems connected (thousands)	173.3	200.1	237.0
Customer satisfaction index (Measured on a scale from 0–10, 10 being best)			
BGE	8.25	8.17	7.95
ComEd	8.18	8.17	8.09
PECO	8.35	8.09	8.09
PHI	7.98	7.88	7.84
Reliability—System Average Interruption Frequency Index (SAIFI)[3]			
BGE	0.68	0.74	0.69
ComEd	0.50	0.43	0.39
PECO	0.71	0.62	0.62
PHI	0.65	0.61	0.52
Reliability—System Average Interruption Duration Index (SAIDI)[4]			
BGE	60	66	60
ComEd	35	29	26
PECO	67	55	56
PHI	55	52	49
Communities			
Corporate and foundation giving (million USD)	$42.0	$48.1	$59.0
Volunteer hours (thousands)	97.8	126.5	135.8
Direct diverse supplier spend (billion USD)	$1.8	$2.0	$2.2

Topic	2021	2022	2023
Workplace Safety			
OSHA recordable rate[5]	0.94	0.90	1.16
OSHA DART rate[6]	0.67	0.70	0.87
Climate Change and Environment			
Total corporate GHG emissions (Scope 1 and 2, location-based, thousand metric tons CO_2e)	5,335	5,307	4,736
Total corporate GHG emissions (Scope 1 and 2, market-based, thousand metric tons CO_2e)	5,749	5,720	5,308
Total water use (million gallons per year)	113.8	80.0	60.2
Path to Clean goal breakdown			
2030 Operations-driven GHG reduction goal[7]	33%	34%	40%
Operations-driven GHG emissions (Scope 1 and 2 market-based, thousand metric tons CO_2e)	538	527	478
GHG emissions associated with system losses (Scope 2 market-based, thousand metric tons CO_2e)	5,211	5,193	4,830
Total Scope 3 GHG Emissions (thousand metric tons CO_2e)[8]	87,254	84,527	84,413

[1] Click on the hyperlinks embedded in the headers of this table to read the report sections on each topic. These sections provide additional context and definitions for the data metrics, including whether higher or lower numbers indicate relatively better or worse performance for each metric.

[2] Performance data reflects Exelon's footprint as of the reporting period. Financial, community, safety and environmental data for 2021 and 2022 has been recast to reflect Exelon's current corporate boundary, excluding Constellation, and may differ from reports prior to separation. See further discussion in the 2023 Corporate Sustainability Approach section of this report.

[3] SAIFI captures the average number of non-momentary interruptions experienced per customer per year.

[4] SAIDI captures the average number of minutes, or the duration, of interruptions experienced per customer per year.

[5] Refers to the Occupational Safety and Health Administration (OSHA) recordable rate, which captures work-related injuries or illnesses per 100 employees. OSHA recordable rate is equivalent to Total Recordable Incident Rate (TRIR).

[6] The OSHA Days Away, Restricted, Transferred (DART) rate captures work-related injuries or illnesses resulting in days away, restricted work or job transfer per 100 employees.

[7] The 2030 Operations-driven GHG reduction goal represents the percent reduction achieved, compared to our 2015 baseline, and reflects market-based accounting. The 2015 baseline was adjusted and re-verified in 2024 to incorporate boundary changes and improved data. 2022 data reported in the 2022 ESR indicated a 35% reduction versus baseline, which has been updated to a 34% reduction in 2022 in the 2023 ESR.

[8] The 2022 ESR reported Customer energy use emissions, which is a subset of Total Scope 3 emissions, which is what is being presented in the 2023 ESR. Total Scope 3 values incorporate adjustments made to ensure all delivered load is reflected in the emissions presented.

Key Sustainability Topics

Exelon's commitment to sustainability is central to providing reliable, affordable and innovative energy products and services that enable increasingly lower-carbon energy as our industry transforms. Through the highest ethical standards, operational excellence and environmental stewardship, we conduct business in a way that is sustainable for our customers, our employees and our communities while delivering sustainable value for our shareholders.

GRI defines material, or "key," topics as those that represent the organization's most significant impacts on the economy, environment and people, including impacts on human rights.

As we updated our key sustainability topics list for the 2023 ESR, we considered the following:

- Engagements with customers, communities, policy leaders, investors and employees
- Surveys and requests for sustainability information that we receive
- Shareholder proposals in our industry and at Exelon
- Edison Electric Institute (EEI) surveys of large utility investors
- Electric Power Research Institute (EPRI) Priority Sustainability Issues for the Electric Power Industry
- Peer company disclosures identified through our annual benchmarking of best practices
- Media and stakeholder reviews of the company and our sector
- Our impacts on the environment and society as well as the impacts of sustainability topics on our business
- Our annual stakeholder engagement dialogue with Ceres, a nonprofit organization advocating for sustainability leadership
- Sustainability disclosure and rating frameworks including GRI, SASB, CDP, TCFD, the S&P Global Corporate Sustainability Assessment (CSA)/Dow Jones Sustainability Index (DJSI), MSCI, Sustainalytics, the Climate Action 100+ Benchmark and the Corporate Sustainability Reporting Directive (CSRD)

Sustainable Development Goals

We continue to align our business with global sustainability initiatives, particularly the United Nations Sustainable Development Goals (SDGs). The 17 goals and underlying 169 targets provide a framework for governments, businesses and organizations to advance sustainable development.

Exelon's business and sustainability activities indirectly address nearly all the goals. Our primary focus is on four priority SDGs that most directly align with our business at the target level:

Exelon's Four Priority SDGs

We discuss this alignment in more detail in the Delivering Sustainable Value section. In the table on the following page, we map the SDGs aligned with our business with our key sustainability topics. We list our sustainability topics alphabetically by report section.

Key Sustainability Topics	Relevant SDGs	Why It Is Important
Integrating Climate Change		
Greenhouse Gas (GHG) Emissions	**7, 9, 13**	GHG emissions drive climate change and must be rapidly reduced. Through Exelon's Path to Clean, we are working toward net-zero operations by 2050.
Clean Energy Transition	**11, 13**	Exelon is working toward a clean energy transition centered on equity, which includes transforming our energy delivery systems to reduce emissions, facilitate further electrification of the economy, and support our customers and communities as they seek to utilize cleaner energy and utilize energy more efficiently.
Advancing Clean Energy and Affordable Energy Choices		
Energy Affordability	**7**	Reasonably priced energy and delivery services support the local economies in which Exelon's customers live and work. Maintaining energy affordability is an important consideration during the energy system transition, particularly for customers in historically disadvantaged communities.
Clean Energy Supply Shift	**7, 13**	Investments in technology and the T&D system help to build a smarter power grid that enables our customers, communities and jurisdictions to receive safe, reliable, secure and lower-carbon energy supplies as our energy systems transform.
Beneficial Electrification	**9, 13**	Beneficial electrification reduces GHG emissions and local air pollution that can disproportionately impact disadvantaged communities. It also provides strategic utility growth opportunities across the economy.
Delivering a Top-Tier Customer Experience		
Energy Demand and Use Shift	**7, 9, 13**	Through new technologies, innovative customer programs and education, we promote affordable and equitable customer options and customer satisfaction.
Service to Customers	**7**	Providing reliable service and empowering customers to buy, manage and use energy more efficiently and cost-effectively, is core to our mission.

Key Sustainability Topics	Relevant SDGs	Why It Is Important
Safely Powering Reliability and Resilience		
Cybersecurity and Physical Security	**9**	Protection of customer information and Exelon's electronic and physical assets is paramount, as our energy delivery systems represent critical national infrastructure.
Energy System Resilience	**7, 9, 11**	As electrification increases during the energy transition, transmission and delivery system resilience continues to be of paramount importance, particularly as extreme weather and temperature changes as a result of climate change increase in the communities that we serve.
Supporting Communities		
Community Vitality	**4, 8**	Exelon supports local communities in many ways, including philanthropy programs and giving, direct job creation, leading workforce development programs and science, technology, engineering and math (STEM) education and utilization of local and diverse suppliers.
Environmental Justice	**3, 10, 11**	Exelon recognizes the importance of environmental justice in our communities. We seek to operate our businesses in a manner that enables customers, business partners and communities to fully and equitably benefit from social, environmental and economic progress.
Public Health and Safety	**3**	Exelon takes seriously its responsibilities to conduct our daily operations in a manner that protects the health and safety of the public during routine operations and emergency events.
Nature and Stewardship		
Habitat and Biodiversity	**6, 14, 15**	Exelon utility service areas encompass 25,550 square miles in Delaware, D.C., northern Illinois, Maryland, southern New Jersey and southeastern Pennsylvania, which include unique habitats, ecosystems and natural resources with significant biodiversity and community resource value.
Water Management	**6**	Recognizing the impact of climate change and increasing demand for shared water resources, Exelon seeks to conserve and protect water resources through proactive management of stormwater, mitigation of potential environmental impacts resulting from our operations and restoration and enhancement of natural watersheds and related habitats.

Key Sustainability Topics	Relevant SDGs	Why It Is Important
A Safe, Innovative and Rewarding Workplace		
Diversity, Equity and Inclusion (DEI)	**5, 8, 10**	To achieve our greatest potential, we must reflect the communities that we serve and seek fair treatment and equitable opportunities for all. Our commitment to DEI strengthens our ability to attract, retain and advance employees who represent and serve our customers, business partners and communities.
Employee Engagement	**8**	To support and retain our talent, we must create an environment where our workforce can perform well and achieve its highest potential. These conditions are necessary for our employees to remain engaged and have a rewarding experience at work.
Health, Safety and Wellness	**3**	We are dedicated to safety. We continuously act to minimize workforce exposure to potential health and safety hazards, as well as to support employee mental and physical wellness. This focus builds a desirable and productive work environment, reduces health care costs and improves business performance.
Workforce Development	**4, 8**	Exelon seeks to develop a skilled and reliable workforce that supports economic empowerment in the communities where we work and live. We invest in current and prospective employees through focused trainings and partnerships, which helps us to build and maintain skilled workforces in our communities. We also seek to promote STEM education in our schools, communities and Exelon learning programs.
Corporate Governance		
Corporate Governance and Ethics	**16**	An ethical culture with strong corporate governance and risk management oversight is critical to maximizing Exelon's operational results, reducing risks and maintaining compliance with applicable laws and regulations. Our governance processes are overseen by the Corporate Governance Committee of the Exelon Board of Directors.
Policy Engagement	**13**	Exelon engages with policy makers to advance solutions that support our business interests, provide value to customers and create desirable outcomes for stakeholders. This engagement includes encouraging industry associations to support robust action to combat the effects of climate change, promote needed energy system transformation and to address social equity challenges in the transition.
Sustainable Supply Chain	**12**	We work with our suppliers and industry peers to build a sustainable supply chain that delivers quality products and services for Exelon, supports local and diverse businesses in the communities we serve, incentivizes environmental performance and reduced GHG emissions, upholds human rights and strengthens our supply chain resilience.

Stakeholder Engagement

Through regular engagement with our stakeholders, we improve our understanding of emerging trends affecting our business. We use stakeholder feedback to inform our sustainability strategy and business plans.

We periodically facilitate specialized forums with individual stakeholder groups to discuss their sustainability interests and concerns. Since 2008, we have engaged with Ceres to provide an external perspective on important areas of shared interest to help Exelon advance our sustainability performance as part of our participation with Ceres as a Company Network Member. Ceres has worked with Exelon to convene 16 external stakeholder engagements, since Exelon became a Company Network Member, to discuss topics of shared interest. Our partnership with Ceres in recent years has also included direct engagement with Ceres staff in the development of our Supplier Code of Conduct and Human Rights and Environmental Justice Principles.

In May 2022, we engaged stakeholders in discussions on Exelon's Path to Clean climate change goals, as well as our plan and approach to sustainability reporting. In March 2024, our Ceres stakeholder engagement focused on the important topic of equity in the energy system transition. During our 2024 meeting, we asked stakeholders to share their priorities for the energy system transition, as well as their views on the role that Exelon can play in facilitating energy transition outcomes in areas such as access and affordability, environmental justice, investment and growth, energy efficiency and innovation, inclusion and representation, education and empowerment and related metrics for measuring progress in these areas.

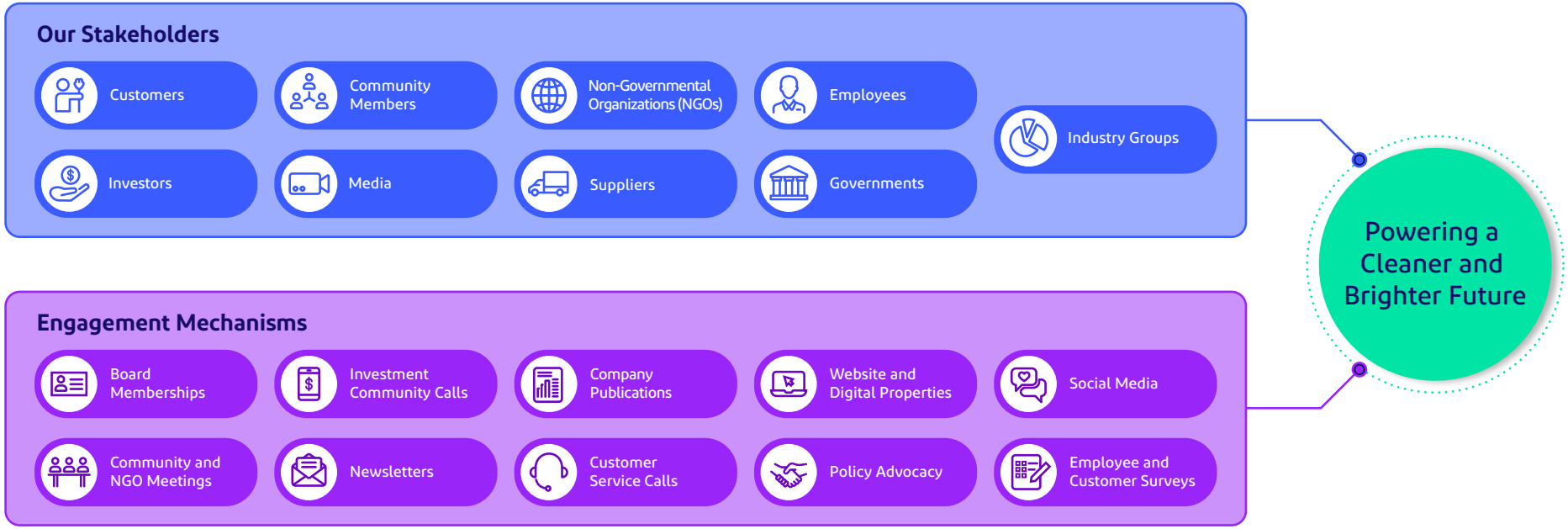
To explore avenues for improving sustainability performance as measured by DJSI, we held discussions with S&P Global, an international investment research company with a focus on sustainability investments and whose CSA analysis forms the basis for DJSI scores. We also met with CDP to share our views on Exelon's climate change and supplier disclosures and CDP scoring considerations. Other engagement included our response to the Climate Action 100+ Benchmark initiative and discussions with our lead Climate Action 100+ investors, California Public Employees' Retirement System and Nuveen. In recent years, investors and non-governmental organizations (NGOs) have sought more information about sustainability topics, including:

- Climate transition and adaptation planning and management
- Company climate change goals and consideration of science-based targets
- Corporate GHG goal and public policy alignment with national and international climate targets and goals
- Corporate public policy and industry association alignment with national and international climate change goals
- Utilization of voluntary sustainability-related reporting standards, such as SASB and TCFD human capital and social equity issues
- Nature and natural resource stewardship
- Links between compensation and GHG emissions performance

In 2023, Exelon engaged on these topics with investment managers representing 42 percent of all outstanding shares. We will continue engaging with customers, communities, NGOs and investors in the coming years to align our sustainability strategies and disclosures with stakeholder needs.

In addition to the stakeholder engagements listed above, Exelon regularly surveys our customers to better understand their interests and priorities with regard to our operations, services and performance. Our operating companies participate in dozens of local stakeholder engagement activities throughout the year related to community and jurisdiction specific areas of interest. We also survey customers in each of our service areas to gauge customer satisfaction, which is paramount to our utilities.

Exelon's Supply Chain organization has also begun to engage with its key suppliers on GHG emissions and potential opportunities for driving Scope 3 emissions reductions, including sharing Exelon's Path to Clean plan and expectations for suppliers to take action to reduce their GHG emissions and to assist Exelon and the Sustainable Supply Chain Alliance to refine estimation methods for several Scope 3 GHG emission categories (e.g., purchased goods and services and capital goods).



Delivering Sustainable Value as the Premier T&D Utility

At Exelon, we are working to safely power a cleaner and brighter future for our customers and communities. As the nation's largest transmission and distribution (T&D) company, we have the people, size, scale and resources to continue to lead the energy transition and power the economic well-being of the large and diverse areas we serve.

Introduction

Across the U.S., customer, technology and policy trends signal an accelerating transition to a cleaner, more dynamic and more distributed energy system. A diverse group of stakeholders—customers, policymakers, regulators and investors—are focused on mitigating the effects of climate change through decarbonization. These stakeholders influence customer preferences, drive policy action and encourage deployment of clean energy technologies, resulting in a push for cleaner generation, lower-carbon fuels, electrification, distributed energy resources (DER) and opportunities to enhance the customer experience. Increasing electrification requires significant investment in our physical T&D systems, as well as continued focus on reliability and resiliency measures in our operations, including our information technology (IT) and cybersecurity systems.

As a pure T&D company, we have the opportunity to focus on building, operating and optimizing delivery systems that leverage a variety of energy resources to contribute to the energy goals of our customers and communities. To this end, we plan to invest $34.5 billion over four years (2024–2027) in the energy delivery systems that serve our communities. Much of this investment aims to strengthen and modernize the T&D system, including enabling increased electrification and integrating renewable energy into the grid. The investment will also provide enhanced reliability and resilience, aimed at decreasing the potential impact of climate change on our systems and cybersecurity. As we deploy capital, we remain focused on financial discipline by maintaining a strong balance sheet and investment grade ratings. We are also actively managing borrowing costs and maintaining affordable T&D electric and gas utility rates.

As the nation's largest T&D company, we can leverage our size and scale to plan for energy transition risks and trends, including shifts in energy supply and usage, in a way that supports socioeconomic health and equity in the large, diverse areas we serve. To do that, we must focus on the following:

- Helping our customers to understand the shared energy systems that power our daily lives and local economies, including fostering education and awareness around utility programs and tools.
- Empowering customers to take control of their energy usage and to enable their participation in energy efficiency (EE) and electrification programs, integration of customer-owned local renewable generation into our distribution systems and other opportunities.
- Enabling our communities to thrive as our energy system is transformed by investing in and supporting local economic growth and workforce development that enables participation by underserved populations.
- Continuing to grow our company and earn appropriate returns on responsible investments that enable the energy transition—backed by regulatory support.

How Exelon Delivers Sustainable Value	
Industry-Leading Platform	
✓ **Size and Scale**	Largest T&D utility company in the country serving 10+ million customers
✓ **Diversified Rate Base**	Operate across seven different regulatory jurisdictions (including the Federal Energy Regulatory Commission)
✓ **Large Urban Footprint**	Geographically positioned to support the buildout of clean energy resources in our densely populated territories
Operational Excellence	
✓ **Safely Powering Reliability and Resilience**	Track record of top quartile reliability performance
✓ **Delivering a Top Tier Customer Experience**	Helping customers take control of energy usage while delivering top quartile customer satisfaction results
✓ **Strong Cost Recovery**	~100% of rate base growth covered by alternative recovery mechanisms and ~76% decoupled from volumetric risk
Leading ESG Profile	
✓ **No Owned Power Generation Supply**	Pure-play T&D utility
✓ **Advancing Clean and Affordable Energy Choices**	Building a smarter, stronger and cleaner energy grid with options that meet customer needs at affordable rates
✓ **Supporting Communities**	Powering the economic health of the diverse communities we serve while advancing social equity
Financial Discipline	
✓ **Strong Balance Sheet**	Maintaining balance sheet capacity to firmly support investment grade credit ratings
✓ **Organic Growth**	Reinvestment of free cash to fund utility capital programs with $1.6B of equity in plan

Trends Shaping Our Industry

While Exelon's utilities operate in unique jurisdictional contexts, they all experience several important customer, technology and policy trends. These trends reflect the energy transition's gaining momentum, and our territories are testbeds for different approaches to the energy transition and climate action.

Customer

- **Expectations are increasing.** Customers have heightened expectations for energy reliability and resilience, while seeking greater control over their energy usage, increased customization and improved convenience. Some customers are evaluating and deploying new technologies such as electric vehicles (EVs), batteries and smart building and home devices. Early customer experiences may impact the rate of adoption as product and service manufacturers learn and adapt their offerings to customer feedback. Customers seek greater control over their energy usage and improved convenience along with heightened expectations of energy reliability and resilience through physical and cybersecurity. Customers also expect energy that is clean, reliable and affordable and are limited in their willingness and ability to pay more for clean energy.

- **Equity and environmental justice are increasingly a focus.** Collective consciousness is growing around issues of equity and environmental justice. Energy systems can impact customers and communities in disparate ways, such that some communities have disproportionate benefits while others face disproportionate impacts. Customers and communities, and policymakers on their behalf, want more involvement in local energy decisions. There is also a need to make sure that all customers have access and ability to take advantage of new technologies needed for the energy transition.

Policy

- **Climate and energy policy drive the transition.** Significant federal focus and funding, as well as state and local decarbonization policies, are being developed and enacted across the economy. The U.S. has committed to a target of 50–52 percent reduction in greenhouse gas (GHG) emissions by 2030. All of the states where Exelon operates have set state-level GHG emissions reduction goals and targets, and most have established or are establishing specific policies and programs to help achieve them. Jurisdictions are advancing their efforts through collaborative work groups that draft and inform legislation to determine how these goals will be achieved. Climate policy action includes renewable portfolio or clean energy standards, technology adoption goals or mandates (such as zero-emission vehicle sales targets) and measures such as building energy codes and performance standards that advance efficiency, electrification, lower on-site emissions and decarbonized gases. Federal funding from both the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) is now making its way to communities around the country that are building the infrastructure required for the future. Policymakers view the electric generation sector as one of the easier sectors to decarbonize and as a foundation to contribute to GHG reductions in other sectors, including transportation, building and industry. Clean energy and climate policy require utilities to invest in traditional reliability and resilience as well as in emerging technologies to ease the energy transition.

Technology

- **Development and deployment are advancing rapidly.** The proliferation of new technologies creates choices for customers to enhance the customer experience and to customize and optimize their energy use, which has shifted the patterns of energy supply and demand. According to the Energy Information Agency, renewables contributed 22 percent of total U.S. electricity generation in 2023, up from 13 percent in 2015, and renewables overtook coal as the second most prevalent source of generation in 2023.

- **Interest in lower-carbon fuels is increasing.** The pilot, deployment and use of fuels such as biomethane and hydrogen has grown markedly in recent years for their potential to help decarbonize hard-to-electrify end uses in industry, heavy transport and older buildings. Biomethane, often referred to as renewable natural gas (RNG), is the most market-ready of these fuels, but interest in hydrogen has expanded significantly with new momentum in the U.S. following a $3-per-kilogram subsidy as part of the IRA and the DOE awards of $7 billion for seven hydrogen hubs across the country to advance production, transportation and use of clean hydrogen.

- **EV sales are on the rise.** Last year, 1.4 million EVs were sold in the U.S.—representing almost 10 percent of all new vehicle sales. While growth has moderated from the higher levels in 2022 as the early adopter market saturates, there is still significant growth expected with 2024 EV sales approaching 2 million. With newer EV models rolling out in 2024, tax credits at point-of-sale and continued IRA incentives, continued growth is projected to reach 51 percent EV sales by 2030 (or 8.2 million EVs) with approximately 42 million EVs on the road (or 17 percent of all on road vehicles), according to Bloomberg New Energy Finance.

- **Distributed energy resources (DER) continue to expand.** In their 2023 U.S. DER Outlook, Wood Mackenzie projected that DERs—including distributed solar, storage and flexible loads—will comprise up to 49 percent of total U.S. capacity additions from 2022 to 2027. The outlook estimated that solar will represent 46 percent of DER capital expenditures and EVs 26 percent. Meanwhile, third-party companies are introducing tools to aggregate DER in a manner that can benefit the grid, customers and operations.

Risks Associated with Energy Transition

These customer, technology and policy trends point to potential shifts in the energy supply mix, amount of energy used and the manner in which energy is consumed. We see several key categories of risks, which we are monitoring and preparing for:

- **Energy Transition Risk:** Changes to the energy systems resulting from local, state or federal regulatory requirements, new technologies, changing customer expectations and emerging voluntary GHG mitigation frameworks and initiatives could increase the needed pace of change for infrastructure, talent or business model design. Challenges associated with meeting decarbonization timelines and pathways could result in missing economy-wide GHG reduction targets intended to limit the impacts of climate change. Utilities must work with stakeholders to provide perspectives about the manner, speed and cost-effectiveness of evolving energy systems to meet climate goals while prioritizing equity, affordability and reliability.

- **Grid Reliance Risk:** Exelon is preparing for increasing demand for electricity and a greater reliance on our energy delivery systems due to new load growth from electrification, data centers, and hydrogen production, and from the proliferation of DERs. Utilities will be asked to use their energy delivery assets in new and dynamic ways to connect load to clean supply to enable a deeply decarbonized future. Increased reliance on the grid may also be accompanied by new or increased expectations for reliability and resilience.

- **Physical Climate Change Risk:** Increasingly hot summers and the increased incidence and severity of extreme weather events, such as Winter Storm Elliot and the early arrival of the 2023 hurricane season, heighten the risks of outages. As climate change leads to hot and dry conditions, wildfires—like those in Canada and Hawaii last year—may follow. While supporting energy supply and demand transition, utilities must simultaneously harden their assets and explore redundancies to support increased resilience in the face of changes in the climate and weather-related events. For additional details on this topic, visit the Integrating Climate Change section.

- **Affordability and Equity Risk:** We must assess the above risks, and distribution of associated benefits, while continuing to prioritize customer affordability and equity. Addressing this issue for all customers will require cooperation across multiple stakeholders, as it depends on many factors well beyond Exelon's direct control. For additional details on this topic, visit the Energy Affordability section.

Climate change plays a key role in shaping these risks and how we respond to them. The Integrating Climate Change section of this report presents a discussion of our integrated business and climate change strategy using the Task Force on Climate-Related Financial Disclosures reporting framework.

Exelon's Business Model and Regulatory Framework

Exelon owns and operates infrastructure that delivers energy from suppliers to customers. Our assets primarily consist of conduits for this energy, and the substations and gate stations that energy passes through on its journey to the customer. We connect customers and communities to the energy that powers their lives.

The transmission and distribution business assets we operate are the sole assets approved in each territory to transmit and distribute electricity and natural gas. As such, we are regulated by state-level public utility commissions that evaluate our investments through rate case proceedings to determine the just and prudent nature of those costs and approve the rates that we are permitted to charge customers for electric and natural gas consumption. The Federal Energy Regulatory Commission (FERC) is also involved in approvals of transmission system investment and recovery of investment costs.

The energy that flows through our assets comes from various sources. Exelon operates in retail choice states that allow competition among energy producers. We do not own or operate power generation or natural gas supply sources. For customers that do not select a competitive energy supplier, we serve as the default supplier, referred to as the provider of last resort (POLR). For POLR customers, our utilities procure electricity from market auctions and are focused on cost-prudency, as required by our public service commissions.

At our three gas utilities, we also contract for natural gas supplies through competitive processes and deliver natural gas to customers. Typically, larger customers in our service areas are more likely to select a competitive energy supplier while smaller commercial and residential customers select POLR electricity supply service. The percentages of customers who select competitive energy suppliers, versus POLR supply, is significantly influenced by the comparative price of electricity between competitive and POLR supplies and is constantly changing.

We have worked in recent years with our public service commissions to develop cost-recovery mechanisms that are beneficial both to our customers and utilities. These mechanisms reduce administrative costs caused by the frequency of traditional rate case filings, provide increased rate and cost recovery predictability and offer an opportunity to proactively agree upon future investment strategies with our public service commissions and other rate case participants. In addition to these cost recovery mechanisms, approximately 76 percent of Exelon's electric and gas distribution revenues are decoupled from the volume of energy we deliver, which can shift as a result of changing weather and customer usage patterns. This allows our utilities to focus on making the investments required to support the energy system of the future, including improved efficiency, which reduce sales volume. Revenue decoupling currently exists at ComEd, BGE, Pepco, DPL (in Maryland only) and ACE.

We also engage with FERC on issues pertaining to electric transmission and wholesale electricity markets. This engagement focuses on efficient and fair cost recovery for transmission assets, as well as supporting rules that facilitate effective planning and market signals to promote cost-effective and reliable service during the energy transition.

Exelon's Business Strategy

The intersection of customer, technology and policy trends with our business model creates opportunities for Exelon. To meet the expectations of our stakeholders relating to these trends, Exelon aims to be a leader in the transition to support a path to decarbonization that is safe, reliable, equitable and affordable for our customers and communities. We are working with our regulators and other stakeholders to effectively combat climate change, implement rapidly changing technology, influence and align with evolving energy policies and meet heightened expectations for economic and social equity.

To do this, we must simultaneously address the following strategic focus areas:

- **Deliver customer value** through energy delivery, improved efficiency and beneficial electrification programs, technologies, rebates and incentives that help manage energy bills and optimize energy use.
- **Strengthen our infrastructure** to meet heightened resilience and reliability challenges from climate change, to prepare for new technology, changing fuel supply, cybersecurity and physical security threats and to address aging equipment and systems.
- **Modernize energy delivery systems** with new technologies to enhance grid operations and flexibility as we see increased loads from electrification and DERs and by updating our gas delivery systems to reduce emissions and accept lower-carbon fuels.
- **Invest in communities** in a way that advances equity and affordability and supports economic development and environmental and sustainability goals in the jurisdictions that we serve.

Exelon's infrastructure is essential to a decarbonized future. Our transmission and delivery systems can integrate a diversity of evolving energy technologies on both the supply and demand side, including lower-carbon electricity, lower-carbon fuels, DER, EE and beneficial electrification technologies. Our focus is on net-zero emissions outcomes while balancing customer affordability and reliability priorities.

There are differences across our utility territories and among our communities. Energy resources and infrastructure, as well as customer needs and policy environments, may vary. A range of energy and technology solutions is needed to deliver decarbonization as cost-effectively as possible while meeting diverse customer and community needs. Our objective is to effectively integrate a multitude of solutions that meet stakeholders needs by managing total system cost-effectiveness and customer affordability, maintaining safety and reliability and reducing risk.

As we work to help lead the energy transition, we will remain focused on world-class energy delivery—the core of Exelon's business—through:

- Electric distribution that connects customers to lower-carbon, reliable, affordable electricity sources both at the competitive energy supply and energy distribution levels to seamlessly meet their evolving needs and preferences.
- Gas distribution that integrates a mix of lower-carbon fuels while providing affordable, reliable energy and added resilience to the overall energy system, particularly during extreme weather periods and for hard-to-abate sectors.
- Transmission expansion to support increasing reliance on renewable energy and growing electrification in addition to longstanding focus areas, including congestion relief, operational performance needs, infrastructure resilience, equipment condition and customer service.

Responding to Climate Change With Transition Planning

Exelon is a multi-state energy delivery utility regulated by different public utility commissions with different climate action plans and priorities. We are a key partner supporting state and local climate and energy goals. We maintain alignment in our cross-enterprise approach by focusing on innovation and solutions in the following areas that advance climate action:

- **Electrification coupled with simultaneous decarbonization of electricity generation:** Exelon is advancing the necessary growth and evolution of electric distribution and expansion of zero-carbon generation at a local level through enablement of DERs on our distribution system. This work creates opportunities for our businesses, from vehicle electrification to enhanced grid management. Exelon is also expanding its transmission business to comply with federal mandates and support the needed connection of new utility-scale renewable generation to areas of high demand. Exelon can also be a key voice in advocating for policies that drive decarbonization of the electric grid supply at lowest cost.

> Exelon is playing a role in the research, development and deployment of technologies that can deliver longer-term emissions reductions.

- **Lower-carbon fuels:** Exelon supports lower-carbon fuel technologies via interconnection of renewable natural gas and through partnerships to advance the development and demonstration of low- and zero-carbon energy technologies such as the Low-Carbon Resources Initiative (LCRI). Exelon's gas delivery utilities are also continuing to focus on their long-term capital improvement plans as part of their ongoing effort to minimize methane emissions from the gas distribution system today while preparing to deliver lower-carbon fuels in the future.

- **New technologies:** Exelon is playing a role in the research, development and deployment of technologies that can deliver longer-term emissions reductions. Our research and development (R&D) includes strategic areas such as electrification, DERs integration, grid flexibility, storage and other technologies that support EE, demand and flexible load management and electrification. Exelon has also partnered with the Exelon Foundation in the Climate Change Investment Initiative (2c2i), which invests in startups in our utility service territories focused on climate change solutions.

We are leading with equity in the early stages of transition planning. As we work to transform our utilities through both energy supply and customer demand efforts, we strive to use the dimensions of equity—recognition and restorative, procedural, distributive—as a lens to enable out customers and communities to be a part of the transition in a manner that recognizes historical and contemporary inequities, meaningfully engages them in the process, and fairly distributes the benefits and costs of the energy system.

Please see the Path to Clean section of this report for a holistic view of Exelon actions underway, which include our Path to Clean operations-driven goals related to electrifying our fleet, modernizing our gas operations, and driving EE and procurement of zero-carbon energy for our own building use. We are coupling actions on our operations-driven emissions with programs and offerings that support customers and communities in reducing their emissions.

A transition this large requires action across the entire economy. While Exelon does not control the actions of suppliers or customers, we have the power to collaborate, inform and partner with our suppliers as they seek to decarbonize energy supply and support customers as they adopt new technologies to promote the clean energy transition. For more information, please see the adjacent figure and the Energy Transition Planning section.

Exelon's Role in the Energy Transition

We aim to support supplier actions where our business model allows by advancing and enabling cleaner energy supply shifts through:

- **Lower-carbon electricity** at the market level, using purchased energy agreements and integrating renewable generation as well as the state and regional mandates and programs that drive them. We understand that our customers will need access to a range of renewable and other low- and no-carbon generation technologies.

- **Lower-carbon fuel** supply, taking advantage of opportunities to procure, blend and deliver non-fossil fuels, such as RNG, hydrogen and synthetic natural gas, into our transmission and delivery networks.

- **Carbon sequestration** opportunity exploration with suppliers, on the Exelon system, and with communities to offset residual, hard to reduce, GHG emissions as we approach 2050.

We continue to offer programs, incentives and pilots to help customers take climate action by:

- **Utilizing lower carbon energy** through interconnecting DERs such as rooftop and community solar and battery storage and by offering energy options, technology, information and carbon-reduction opportunities to help customers exercise greater control over their energy usage.

- **Adopting efficient technology** by offering incentives, rebates and make-ready infrastructure to advance electrification and industry-leading energy efficiency programs that can help save customers money in the long run and reduce negative environmental impacts.

- **Changing behaviors to support the transition** by providing demand side management resources and programs that help customers save energy and money and help the grid operate more reliably and efficiently.

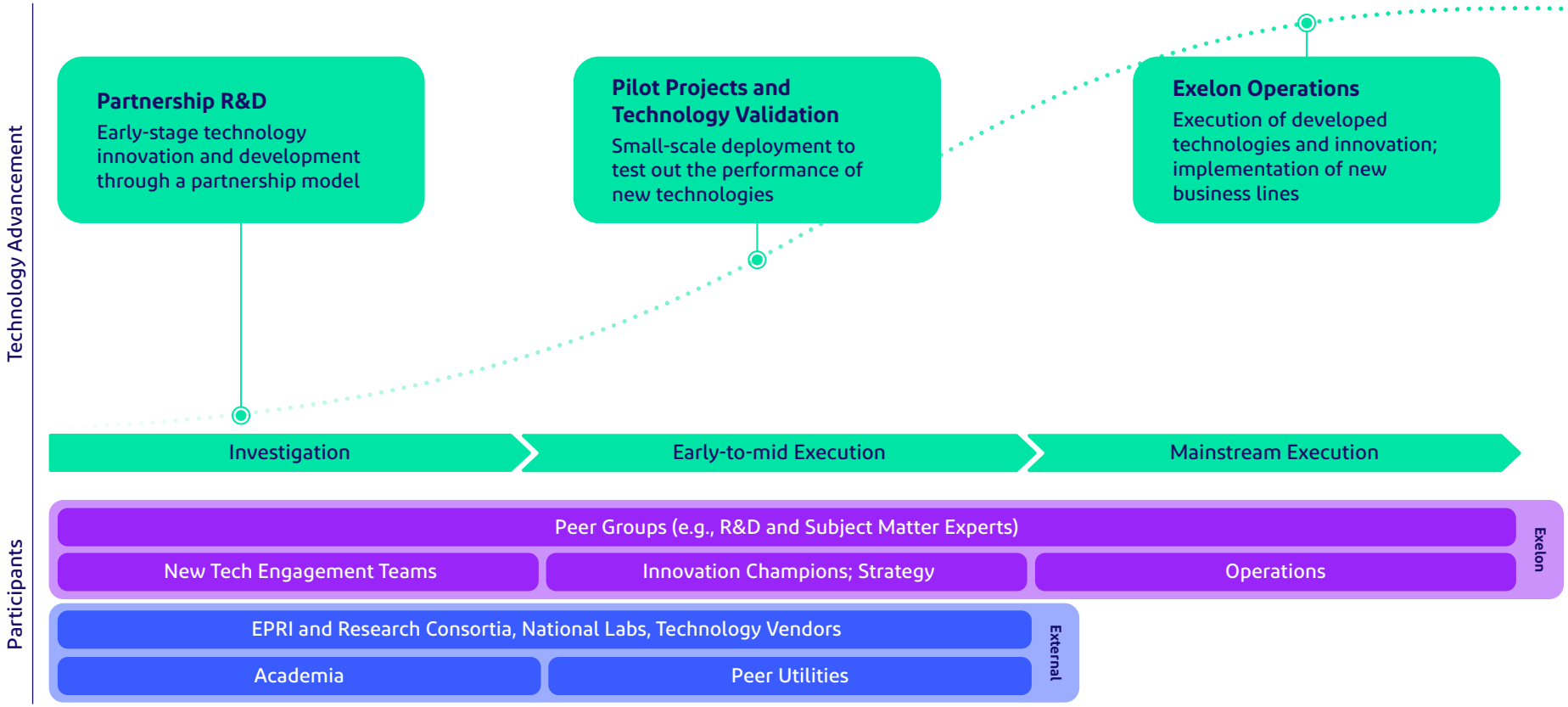
Exelon is well positioned to integrate solutions that support an affordable and equitable transition, and our utilities bring their unique assets and expertise to the challenge as they work in their individual territories. Where we deliver electricity, our utilities are advancing electrification, infrastructure and controls to manage increased loads, DER and power flow effectively and reliably. Where Exelon delivers natural gas, we are also the local electric distributor and have an opportunity to provide integrated energy solutions. A single utility providing both gas and electric services enables coordinated planning and operations to reduce total system costs and emissions, increase reliability and guide a more equitable distribution of costs as we move towards a lower-carbon economy.

Building Value Through Technology

Exelon's culture of driving innovation and new technologies enables us to shape new solutions and deliver sustainable value while building the energy delivery system of the future. Emerging technologies and business practices drive operational excellence and accelerate the deployment of novel products and services for our customers.

Emerging Technology Engagement at Exelon

The graphic below depicts our approach for managing technology engagement across all maturity levels, ranging from early investigation of an emerging concept to full deployment across our operations.



Technology Collaboration and Partnerships

Exelon cultivates strategic partnerships with the external R&D and technology ecosystem, facilitating collaborative knowledge sharing and technology co-development opportunities that leverage the unique skills and capabilities of technology leaders.

Partnership Research and Development Program

Exelon directly engages with early-stage technology innovation by funding and collaborating on projects with leading research institutions, including Argonne National Laboratory (ANL) and Massachusetts Institute of Technology (MIT). The Partnership R&D Program screens dozens of innovative technology projects each year. Over the last seven years, the program has invested in 35 projects that support the co-creation of novel technologies in strategic areas such as electrification, DER integration, grid resilience, storage and clean fuels.

This program runs in parallel with a broadly scoped technology engagement program designed to proactively shape future business solutions in partnership with vendors and research consortia such as Electric Power Research Institute (EPRI), the Centre for Energy Advancement through Technological Innovation and the National Electric Energy Testing, Research & Applications Center.

Through dedicated R&D programs and technology engagement, Exelon works with external partners that are developing technologies that have the potential to revolutionize the industry. This two-way collaboration benefits researchers who desire industry feedback and input to ensure that their work is relevant and addresses practical issues. As researchers draw on data, expertise and leadership from our subject matter experts, they ensure that emerging transformative technologies will benefit Exelon's customers and operations. Proactive ecosystem relationships also benefit Exelon by providing fresh insights in key science, technology and industry trends, workforce enrichment by challenging existing patterns of thinking within the company, and the creation of impactful solutions for technical and market challenges.

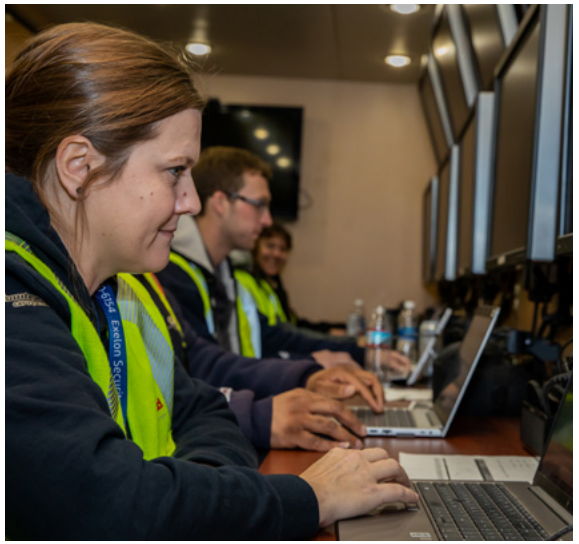
Artificial Intelligence and Data Analytics

In recent years, we have seen advances in artificial intelligence (AI) to perform complex tasks, as well as deployments of increasingly sophisticated algorithms that are trained on data or machine learning. In late 2022, Generative AI (GenAI) garnered widespread attention when it launched ChatGPT, which allowed users to apply user-friendly AI technology using natural language without the need for any programming skills. Due to GenAI's versatility, there has since been a rapid expansion beyond text generation to images, music and video. Four archetypes of impact have emerged:

1. automation of manual classifying tasks,
2. synthesis and summarization,
3. content generation and
4. virtual subject matter experts.

GenAI has the potential to transform how work is performed across industries. In the utility industry, GenAI could reshape customer service, operations, maintenance and planning by drawing insights from unstructured data. GenAI could act as valuable co-pilots or virtual coaches and support the workforce through a range of tasks. We continue to evaluate the full scope of its impact and have established an internal cross-functional team to identify and advance pilot projects that are in support of our strategic focus areas.

These technology trends are leading to inflection points in customer technology adoption. When combined with new data science capabilities from ML, AI and GenAI, utilities are gaining new tools to better manage the emerging dynamic, digitized and decentralized grid. Utilities could harness ML and AI to improve planning, operational and maintenance capabilities, as well as integrate a range of additional digital tools such as Advanced Distribution Management Systems and Distributed Energy Resources Management System to better manage these new technologies as they scale. Exelon is closely monitoring developments in AI for its potential impact on demand for electricity as well as for how it could help us to execute our work more efficiently.



Examples of AI in Utility Applications

Role Supported	AI Applications
Field Workers	Perform tasks more efficiently with the support of AI-driven predictive maintenance and augmented reality repair systems.
Engineer	Harness AI-driven data analytics to optimize utility infrastructure operations and make well-informed decisions.
Data Analysts	Leverage AI's capabilities to interpret vast amounts of data, gaining deeper insights into utility performance.
Customer Service	Provide personalized assistance aided by advanced AI chatbots, enhancing the overall customer experience.
Data Security	Employ advanced AI systems to enhance cybersecurity measures, safeguarding utility networks and customer data effectively.

Technology Trend Monitoring and Evaluation

Exelon has an established process, called BizTech Signals, to identify trends and signals that could impact our business and industry. BizTech Signals identifies topics by monitoring leading and lagging indicators in the industry. Once a high priority topic has been identified and researched, key findings are shared with stakeholders across Exelon. Recent BizTech topics include certified and synthetic gas, alternative aviation fuels and hydrogen delivery and storage.

Cross-Exelon teams further evaluate emerging technologies and trends to build business cases on how best to leverage them for the benefit of our customers, communities and business. Representatives from across Exelon collaborate with research firms, industry associations, national labs, top universities and emerging business leaders with subject matter expertise. Through such efforts, we have evaluated opportunities such as electrification, alternative fuels and battery storage.

Expansion of Fiber Optic Cable for Utility Networks

Integrating new technologies, decarbonization, DER and a rise in EV adoption, while meeting expectations for system reliability and resilience, will require adoption of communications technologies that enable the grid of the future.

This communications platform starts with a network backbone that leverages fiber optic cable. Fiber optic cable can last for decades, provides secure communications and offers the highest bandwidth and lowest latency of any communications medium. This means massive amounts of information can be moved very quickly and securely. A fiber backbone is necessary to support applications that demand at or near real-time communications, improving response times for outage alerts and enable new monitoring and control systems for electric and gas service delivery.

Exelon's utilities have been deploying fiber optic cable for many years, but the increased network demands of the modern grid provide reason to accelerate our deployment and advance plans to extend fiber to every substation. This expansion of utility fiber also allows Exelon to integrate improvements in physical network security, network redundancy, service resilience, expanded use of grid applications and extended life of existing equipment in service.

As Exelon expands our fiber infrastructure, we look for further opportunities to provide a positive impact in the communities we serve. This includes investigating ways to use excess fiber capacity to support long-distance, "middle mile," dark fiber services that allow "last mile" Internet service providers to reach more unserved and underserved communities, as well as communities with limited choice of broadband providers.

In 2023, ComEd and BGE were awarded grants to expand the availability of broadband for unserved and underserved communities in our territories through the Enabling Middle Mile Broadband Infrastructure Program, administered by the National Telecommunications and Information Administration with funding from IIJA. BGE and ComEd were two of only five investor-owned utilities to receive an award.

The BGE middle mile fiber grant of $15.4 million will enhance electric grid reliability and resiliency. The project also advances shared local, state and national goals to increase broadband connectivity, redundancy, affordability and equity. The grant, along with a 50.1 percent funding match from BGE, will amount to a $30.8 million investment over the next four years in nearly 70 route-miles of underground middle mile fiber infrastructure.

> Fiber Optic cable can last for decades, provides secure communications and offers the highest bandwidth and lowest latency of any communications medium.

Lower Carbon Fuels

As an energy T&D company, Exelon is preparing to deliver a range of lower-carbon energy options to our customers. We are developing roadmaps to integrate alternative fuels in our systems by 2035. To support these efforts, we work with national labs, industry associations, developers and marketers to understand the emerging technological and economic landscape for lower-carbon fuels such as hydrogen and RNG. These fuels have the potential to reduce the overall methane or carbon dioxide equivalent (CO_2e) lifecycle emissions associated with the gas we deliver to customers.

RNG is the most market-ready of these options today. We have already established interconnection standards to use RNG across all of our gas distribution utilities. RNG is produced from the capture, cleaning and reuse of methane that would otherwise be released to the atmosphere through decomposition of organic materials from sources such as dairies, food waste facilities or wastewater treatment plants. A major milestone was reached in 2022 after BGE completed the interconnection of RNG through its gas distribution system. This RNG came from a newly constructed RNG plant owned and operated by Bioenergy Devco. Located in Howard County, the plant is Maryland's flagship anaerobic digestion facility, which produces RNG from food waste.

Exelon is also exploring emerging hydrogen technology options via R&D partnerships and industry collaborations. Blending natural gas with limited quantities of hydrogen provides a lower-carbon fuel blend that can be delivered through the existing gas infrastructure, helping customers reduce their carbon footprint as it relates to energy usage. Exelon's gas utilities are exploring hydrogen blending pilots and developing procedures for blending hydrogen into our natural gas system.

Exelon is also engaged in multiple other initiatives related to hydrogen, such as supporting the National Lab HyBlend Consortium, sponsoring the EPRI/GTI Energy LCRI, and partnering with researchers at MIT, the Sandia National Laboratories and others on development of advanced pipeline coatings to facilitate hydrogen delivery in legacy pipelines.

We also are involved in coalitions to facilitate two national hydrogen hubs located in our service areas: the Mid-Atlantic Clean Hydrogen Hub (MACH2) and the Midwest Alliance for Clean Hydrogen (MachH2). These hubs are part of the Regional Clean Hydrogen Hubs program (H2Hubs), funded through the recent IIJA that establishes regional clean hydrogen hubs across America. The selected H2Hubs will demonstrate production, processing, delivery, storage and end-use of hydrogen and establish a foundation for a national network of hydrogen infrastructure to support U.S. decarbonization goals.

Exelon Innovation Engagement and Virtual Showcase

Exelon's culture of innovation inspires employees to create and pilot new ideas that lead to greater efficiencies, cost savings, safety improvements and growth opportunities as part of the innovation mindset deliberately cultivated by Exelon.

Our annual Innovation Week was held in October 2023 with virtual and in-person events designed to highlight our commitment to innovation. The theme was "Inspiring Bright Ideas Together," and more than 1,100 employees attended impressive in-person sessions over the course of five days with an additional 1,700 employees registering for virtual events this year.

Innovation Week showcased field workers' ideas across our operating companies. We had panel discussions with the Exelon Methods team, who create tools for safety and efficiency in the field, as well as our drones team, who highlighted the adaptable use of drones across our organization. Additionally, we celebrated innovation highlights including investments in start-up companies developing climate solutions, such as retrofitting lamp posts into smart electric vehicle charging stations and repurposing plastic waste into construction-grade building materials.

We have introduced awards to recognize and engage our field workers as a crucial part of our innovation ecosystem. ComEd presented the first-ever Innovation Technology Field Deployment award to a team of craft employees for their remarkable contributions to the drone program. At PECO, we introduced the Innovator of the Field award that recognized the successful implementation of cutting-edge drone technology to install Raptor Clamp Diverters™ on power lines to help make the lines more visible to birds of all sizes.

To measure progress in establishing an innovation culture, we engaged EPRI to conduct a comprehensive Global Innovation Assessment, featuring employee surveys and executive interviews. Exelon's innovation practices received overwhelmingly positive feedback, exceeding GIE's industry benchmarks in almost all areas, especially strategy and structure. Results were benchmarked and improvement opportunities identified, which have been prioritized as part of our Continuous Improvement approach.

Our commitment to innovation has been recognized by three 2023 Fortnightly Top Innovators awards from the Public Utilities Fortnightly Magazine, the most awarded to any utility in the U.S. This recognition highlights our organization's dedication to driving impactful and transformative initiatives.

We are committed to scaling this innovation mindset across the company with the support of our dedicated employees and leaders. To build on the momentum created by Innovation Week and other activities, we announced the return of Exelon's Innovation Expo in National Harbor, Maryland on June 5, 2024.

View highlights from the
2023 Innovation Showcase

Investments to Benefit Customers and Communities

Exelon invested $7.3 billion across our regulated utilities in 2023 and plans to invest $34.5 billion between 2024 and 2027. Most of Exelon's utility investments over the next four years will be in the electric distribution system, followed by the electric transmission and gas distribution systems. Over the last 10 years, we have upgraded over 10.4 million smart electric and gas meters across Exelon's utilities, enabling a wide range of system and customer benefits. These meters allow the utilities to remotely connect or disconnect service, provide enhanced information to help respond to power outages and better monitor circuit voltage—all of which saves customers money and avoids excess GHG emissions. At the same time, these technologies give customers real-time insights into their energy usage and provide additional opportunities to save energy.

As we invest in the energy system of the future, we remain focused on maintaining a strong balance sheet and investment grade ratings at our utilities to maintain a favorable interest rate and debt financing terms. See the Creating a Smart Power Grid section for more details on past investments in this area.

$7.3 billion
invested in 2023

Maintaining Investment Grade Ratings[1]

	Moody's	S&P	Fitch
Exelon	Baa2	BBB	BBB
ComEd	A1	A	A
PECO	Aa3	A	A+
BGE	A3	A	A
ACE	A2	A	A
DPL	A2	A	A
Pepco	A2	A	A

[1] Includes senior unsecured ratings as of May 10, 2024, for Exelon Corp and BGE and senior secured ratings for ComEd, PECO, ACE, DPL and Pepco.

Exelon Capital Expenditures[2][3]

	2023	2024E	2025E	2026E	2027E
Gas Delivery	925	1,000	975	975	975
Electric Transmission	1,225	1,625	2,450	2,875	2,725
Electric Distribution	5,175	4,800	5,250	5,375	5,525
Total	7,325	7,425	8,650	9,225	9,225

[2] Source: Adapted from Exelon Earnings Conference Call Fourth Quarter 2023 Earnings Conference Call presentation, page 18.

[3] Rounded to nearest $25M; may not sum due to rounding.

Exelon's Transmission Strategy

As states and customers increasingly advocate for clean energy, transmission system expansion will be critical to new resource integration and continued reliable operations. Renewable resources such as wind and large scale solar often require construction of new or expanded transmission facilities to facilitate the interconnection and delivery of energy to load centers. Likewise, upon retirement of fossil fuel plants, upgrades to the bulk power system will potentially be required to maintain system reliability for our customers. Beyond upgrades necessary to support the evolving resource mix, preparing for broad societal electrification and reliance on the grid will require maintaining aging infrastructure and increasing system resilience to address risks due to climate change, cyber-attacks and physical threats. Exelon's transmission strategy is designed to adapt to this new paradigm and develop transmission projects that address needs identified through FERC-approved reliability planning processes that govern both local and regional transmission planning and thereby promote the proper modernization and strengthening of Exelon's transmission system.

In its role as the RTO, PJM manages the regional planning process for transmission expansion, including transmission build within the Exelon service territories necessary to ensure the continued reliability of the regional electric system. PJM annually develops a Regional Transmission Expansion Plan (RTEP) to meet system enhancement requirements for firm transmission service, load growth, generation retirements, interconnection requests, potential transmission system congestion and other system enhancement drivers. Exelon leverages its decades of planning, operating, and maintaining reliable transmission systems within our footprint to participate in the RTEP process and develop transmission projects that reliably and cost-effectively address the transmission needs identified by PJM through its planning analysis.

In 2023, PJM performed an analysis to examine the potential future state of the transmission system in response to a formal request from the owner of the Brandon Shores power plant, located outside of Baltimore, Maryland, to deactivate the plant's coal units. PJM's analysis revealed multiple widespread reliability impacts due to the deactivation of the generation. As a result, PJM directed BGE, PECO and Pepco to build transmission projects that address the potential reliability impacts. Such projects include new and expanded 500-kV and 230-kV facilities in Exelon's service territories that leverage existing transmission assets and rights-of-way where possible. In a related development, other projects were designed to address needs identified in PJM's analysis of the future reliability impact of the siting of up to 7,500 MW of new data centers in Virginia and Maryland in addition to the widespread effects from the recent deactivation of more than 11,000 MW of generation across the PJM footprint, including Brandon Shores. The analysis revealed transmission reinforcements were necessary to maintain system reliability. After receiving and reviewing 72 solution proposals from 10 entities, PJM ultimately selected a comprehensive set of preferred solutions to address these needs that includes components of proposals submitted by BGE, DPL, PECO and Pepco. Exelon proposed robust and expandable solutions that will also work together with the project components identified to address the retirement of the Brandon Shores generation.

In addition to addressing the evolving long-term regional reliability impacts to the system, Exelon continues to work with PJM to implement interconnection queue process reforms to efficiently process requests to interconnect renewables and other resources onto the transmission system. The reformed process is intended to identify necessary upgrades to the transmission system to accommodate the interconnection of the new or upgraded generation and support the reliability of the grid as the pace of fossil generation retirements increase.

Exelon also continues to work with states and PJM to identify transmission expansion and enhancement opportunities driven by federal and state public policies. As PJM explores transmission solutions for offshore wind in New Jersey, Maryland, and Delaware, Exelon will participate in these potential opportunities to support our communities in increased access to clean energy.

In addition to the regional planning process, as referenced above, Exelon also identifies investments in transmission systems to address local needs, such as replacing aging infrastructure, asset management and equipment upgrades, operational efficiency, resiliency and new load customer interconnection. These investments enhance the reliable performance of the system as well as improve the ability of the system to absorb, adapt to and/or rapidly recover from a potentially disruptive event, including severe weather or geo-magnetic disturbances. We study large load customers seeking to interconnect within the Exelon footprint, such as potential data centers, EV battery and solar manufacturing facilities and hydrogen production facilities to identify necessary transmission investments to facilitate the interconnection of these facilities in a reliable manner. At the same time, these transmission investments can promote the economic development of the communities that we serve in a cost-effective manner. These projects are reviewed through an open and transparent process defined in Attachment M-3 of the PJM Open Access Transmission Tariff.

Where appropriate, Exelon explores opportunities to defer rebuilds and new transmission lines and utilize other innovative alternatives that may provide cost-effective solutions for our customers. We safely maintain and efficiently operate these critical assets in addition to partnering with vendors and research organizations, such as the EPRI and national labs to develop and test alternative technologies. Exelon has piloted technologies such as E3X coating that increases the capacity on existing transmission lines; Dynamic Line Ratings equipment, which allow for monitoring real-time thermal loading impacts on transmission facilities; and High Temperature Low Sag Conductors, which improve conductivity and reduce losses without excessive conductor sag. Exelon has also installed Superconductors, which provide high transfer capacity between multiple low voltage locations in Chicago's central business district.

Through these efforts, Exelon's transmission strategy seeks to invest in cost-effective transmission projects that efficiently facilitate the evolving resource mix, electrification trends and economic development of the communities that we serve while enhancing the ability of the system to adapt to evolving threats such as extreme weather and cyber and physical security threats.

Operational Excellence

Operational excellence is foundational for our company. Our more than 10 million customers depend on us to provide safe, reliable, affordable and increasingly clean energy. To drive improvement, Exelon's operating companies engage in frequent industry benchmarking and use a variety of management tools to identify and share best practices. Given Exelon's size, scale and scope, even small opportunities for improvement can yield big results for our customers.

Over the years, as Exelon has incorporated new utilities into our portfolio, we have identified, developed and shared best practices to drive higher levels of operational performance across all Exelon utilities. Since our separation from Constellation, we have worked to further optimize and coordinate our utilities' operations as a pure T&D utility company. Our reliability performance remained strong in 2023 with ComEd and PHI achieving top decile System Average Interruption Frequency Index (SAIFI) performance; BGE and PECO attaining first quartile; and ComEd and PHI achieving best-on-record performance. Industry-leading Gas Odor Response performance continued with BGE, PECO and PHI receiving top decile performance. Safety performance across our utilities was mixed. We remain committed to improving performance, particularly through the development and execution of utility-specific action plans. Please see Promoting a Culture of Safety and Health to learn more about how Exelon is enhancing safety performance.

Exelon Operational Metrics vs. Industry Peer Group (results compared to 2021 benchmark)[1]

Operations	Metric	2023 BGE	2023 ComEd	2023 PECO	2023 PHI
Electric Operations	OSHA Recordable Rate[2]				
	2.5 Beta SAIFI (Outage Frequency)[3]				
	2.5 Beta SAIDI (Outage Duration)[4]				
Customer Operations	Customer Satisfaction[5]				
Gas Operations	Gas Odor Response[6]		No Gas Operations		

Performance Quartile Q1 Q2 Q3 Q4

[1] Quartiles are calculated using results reported in 2021 by a panel of peer companies that are deemed most comparable to Exelon's utilities. Source: Adapted from Exelon Earnings Conference Call Fourth Quarter 2023 Earnings Conference Call presentation, page 6.

[2] Reflects the number of work-related injuries or illnesses requiring more than first-aid treatment per 200,000 work hours (Source: EEI Safety Survey, T&D Peer Panel only).

[3] Reflects the average number of interruptions per customer as year-end actuals (Sources: First Quartile (1QC) T&D; PSE&G Electric Peer Panel Survey; and EIA).

[4] Reflects the average time to restore service to customer interruptions (Sources: First Quartile (1QC) T&D; PSE&G Electric Peer Panel Survey; and EIA).

[5] Reflects the measurements of perceptions of reliability, customer service, price and management reputation by residential and small business customers reported to Escalent.

[6] Reflects the percentage of calls responded to in one hour or less (Sources: PSE&G Peer Panel Gas Survey and AGA Best Practices Survey).

Supporting a Clean Energy Policy Transition

Exelon continues to work in all our jurisdictions with multiple levels of government to advocate for effective clean energy and climate policy. Exelon seeks to support public policy that increases equitable and affordable access to clean energy, encourages cost-effective GHG mitigation based on sound science, decarbonizes the energy supply, and improves resiliency. We support a comprehensive, meaningful national climate program as the best pathway to effectively address economy-wide GHG emissions. Exelon continues to view the Environmental Protection Agency's (EPA's) authority to limit power plant GHG pollution as an important tool to address climate change. Exelon seeks to support the EPA's use of this authority while informing the details of the application of this authority with awareness of the potential impacts on energy system reliability and customer affordability. Our business strategy and investment plans align with the policy direction across the various levels of state and federal government in which we operate.

Exelon participates in a number of coalitions to help support the needs of our customers and communities while advancing our corporate environmental goals and commitments. Through coalitions like the Clean Energy Group, the Center for Climate and Energy Solutions and associations such as the Edison Electric Institute, Gridwise Alliance and American Gas Association, we seek to join other stakeholders in advocating for positive outcomes—not just in our communities, but across the U.S. We continue to share our progressive ideals and commitments and to positively influence the actions of other stakeholders and the sector as a whole through robust trade association participation. Exelon also engages with non-governmental organizations that are focused on developing research and innovative policy frameworks that may help to inform public policy actions. These engagements include Exelon's participation with the World Resources Institute Corporate Consultative group and Exelon's long-standing participation in the Ceres Company Network.

National Level Policies

Exelon is committed to making our distribution and transmission systems smarter, stronger and cleaner. This driving principle is strongly supported by the programs enabled by the IIJA and IRA. Over the last year, significant national advancement has been made to implement these programs by the federal government, states and private entities, including Exelon. This action is an important step forward in addressing climate change through the faster and more accessible deployment of clean energy technologies.

> Exelon is committed to making our distribution and transmission systems smarter, stronger and cleaner.

The IRA offers a diverse portfolio of tax credits and incentives to support the growth of renewable generation as well as the adoption of innovative decarbonization technology. This includes lower-carbon fuels, such as hydrogen and renewable natural gas, to further the transition away from fossil fuels as well as enabling infrastructure, such as storage and charging equipment. Increased customer interest in and access to EE, electric transportation and solar energy requires our utilities to expand and modernize our infrastructure while investing in our telecom and IT systems to integrate and optimize these resources. Exelon also supports the IRA provisions that focus on enabling low- and moderate-income communities to achieve an equitable energy transition. Exelon's electric utilities are actively advancing our customers' understanding of how best to leverage IRA resources to support their clean energy and affordability goals.

Rapid grid modernization and expansion are foundational to the rapid advancement of the clean energy transition. Exelon appreciates the federal government's recognition of this important role of the grid and the efficacy of Exelon's related investment strategies as evidenced by the 2023 success of our Operating Companies' applications for federal funding via the IIJA.

IIJA in Exelon's Jurisdictions

On November 15, 2021, the $1.2 trillion IIJA was signed into law, an act which provides approximately $550 billion in new federal spending. Infrastructure funding categories include power and grid reliability and resilience, resilience for cybersecurity to address critical infrastructure needs and EV charging infrastructure for alternative fuel corridors.

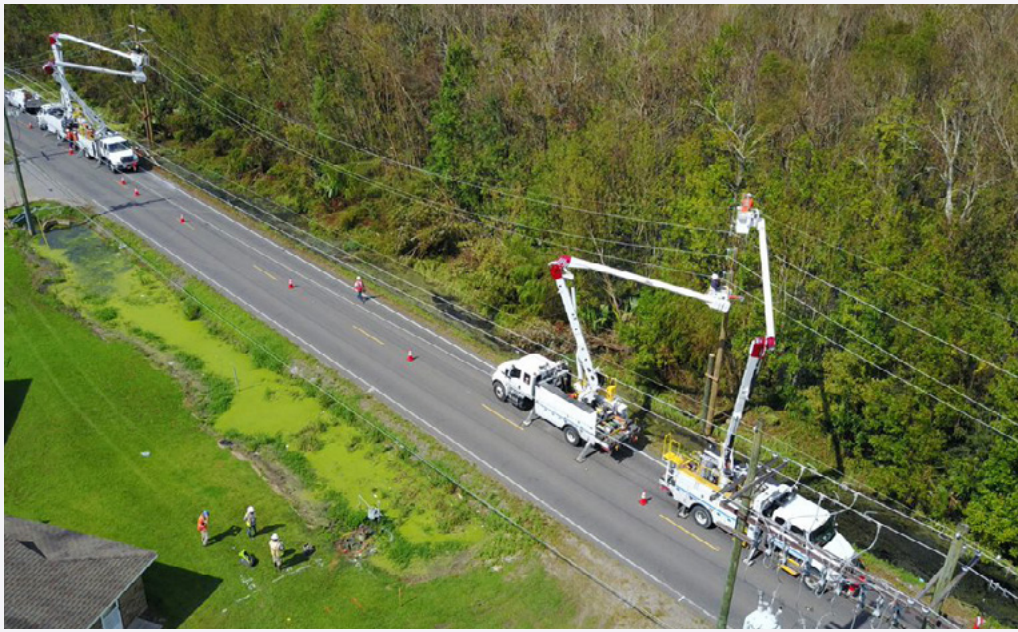
Direct and indirect participation in IIJA enables Exelon to partner with our jurisdictions to pursue funding opportunities that support the energy system transition, advancing needed investments at a more rapid pace while reducing potential impacts on customer bills. As Exelon considered IIJA opportunities, our primary focus has been on direct involvement in opportunities related to power and grid reliability and resilience, resilience for cybersecurity to address critical infrastructure needs, and electric vehicle charging infrastructure for alternative fuel corridors.

Through the end of 2023, Exelon had been awarded approximately $180 million for utility projects. These projects include:

Grid Resilience and Innovation Partnerships grants for PECO and ComEd projects related to outage prevention and technology deployment programs:

- **PECO:** Approximately $100 million in funding will support the utility's Creating a Resilient, Equitable and Accessible Transformation in Energy (CREATE) plan for the Greater Philadelphia area. The program comprises seven grid components that address areas of PECO's service territory susceptible to severe weather events that impact families, communities and businesses. These solutions include substation flood mitigation, upgrading underground monitoring and control technologies, deploying battery systems for backup power, replacing aging infrastructure and installing high-temperature, low-sag conductors to increase capacity.

- **ComEd:** Under its $50 million Improving Grid Resilience and Operations in Rockford, Illinois grant, ComEd will be working to improve grid resilience and operations by deploying a selection of grid-edge technologies for field demonstration. In addition, ComEd is focused on developing an interoperable data fusion architecture and grid-edge analytic platform to enhance coordination among innovative technologies.



Middle Mile Grants for BGE and ComEd—approximately $15 million each—to support broadband deployment with a focus on enhancing electric system reliability, operability and security, as well as ensuring that communities that have historically lacked access to broadband will gain access.

In addition to Exelon's direct application IIJA projects, the jurisdictions that we serve will also benefit from approximately $300 million in grants for electrification of the transportation sector, including approximately $50 million under the EPA Clean School Bus program and approximately $250 million in National Electric Vehicle Infrastructure program funding to support electric vehicle charging infrastructure development. Our jurisdiction will also benefit from two hydrogen hub awards supported by our utilities: MachH2 in the Midwest supported by ComEd MachH2 and MACH2 in the mid-Atlantic supported by PECO and PHI.

Federal Administration and Agency Engagement

Exelon continues to engage with the Department of Energy, Department of Transportation, National Telecommunications Information Agency and EPA to inform their execution of IIJA programs. Many of these programs provide grants through 2026, which are directly available for Exelon programs targeting our communities and key customers. Our engagement has supported transmission system build-out and modernization, the creation of hydrogen hubs, increased distribution system resilience and automation, expansion of transportation electric charging and deployment of middle mile and broadband to underserved communities. As the diversity of these topics illustrates, Exelon's continued engagement with these federal agencies goes far beyond supporting the programs that advance our own systems. Through continued engagement, we seek to support our communities and customers to advance their interests and roles in the transition.

Exelon is particularly focused on advancing policies that balance rapid yet cost-effective clean energy infrastructure build-out with sustainable, thoughtful progress that maintains quality of life in the communities we serve. To this end, Exelon has been deeply involved in industry and governmental positioning and action taken on permitting reforms being considered and advanced.

We continue to prioritize grid resilience and reliability, as well as the need to evolve planning methodologies to better prepare for future system needs. We are engaged in several ongoing state, regional and federal regulatory efforts related to transmission planning that affect modernization and expansion of our transmission infrastructure to integrate offshore wind and other new renewable generation and to prepare for changing demand patterns. We are actively engaging with FERC in response to rulemaking dockets centered around transmission planning, cost allocation and generator interconnection reforms.

Exelon engages in these policymaking efforts through submission of comments and participation with industry associations such as WIRES, a non-profit group that promotes investment in the North American electric transmissions system in collaboration with peer Transmission Owners. Exelon expects FERC to continue advancing its proposed reforms in 2024 through one or more final rules stemming from open rulemaking processes and potential new rulemakings. In its filings at FERC, Exelon has worked with others in our industry to support transmission planning process modifications that take a holistic, scenario-based approach to better achieve state and federal policy objectives and facilitate consumer preferences. Exelon is supportive of modifying existing elements of FERC regulation to enable the robust development of needed transmission upgrades that serve reliability, economic and public policy needs and facilitate timely interconnection of new generators.

Regional Transmission Organization Engagement

Exelon has been focused on addressing the planning and interconnection challenges that face the evolving electricity industry with PJM, the federally-authorized RTO that coordinates the movement of wholesale electricity within Exelon's operational footprint as well as across 13 states and the District of Columbia. Through this partnership with PJM, we look to maintain the reliability of the bulk electric system as more renewable resources look to connect to the grid, traditional generation continues to retire at accelerated rates and signs of load growth associated with electrification, data centers and artificial intelligence increase. Since 2022, Exelon has supported PJM's implementation of interconnection queue reforms including a three-phase process where customers have increasing readiness deposits throughout each phase, decision points at the end of each phase and enhanced requirements for site control.[1]

These changes and others are aimed at allowing for projects to enter and exit the queue within two years. The reformed interconnection process is expected to clear about 300 new generation projects, totaling 26,000 MW in 2024, marking significant progress in the integration of renewables and other generation in PJM. In 2023, Exelon also supported PJM's efforts to ensure a reliable grid amid the retirement of traditional generators, increased demand for electricity, as well as added renewable resources, which behave differently from traditional fuel-burning generators.

[1] In November 2022, the PJM queue transition from a "first in, first out" approach to a "first ready, first served" approach was approved by FERC.

Increasing demand for electricity and the drive to decarbonize the grid requires an upgraded transmission system. In 2023, Exelon also worked with PJM and stakeholders to consider ways in which long-term regional transmission planning could be incorporated into reliable grid planning and development. Exelon advanced high-priority reliability projects with PJM in July 2023 in the Mid-Atlantic region, which will be needed with the deactivation of Brandon Shores 1 and 2 coal units outside of Baltimore. Additional projects were also approved in October.

Exelon continues working with PJM and stakeholders on FERC Order 2222, which focuses on the implementation of reforms to allow participation of DER aggregations in the wholesale electricity market. Additionally, extensive stakeholder time in 2023 was dedicated to evolving market rules as a core component to addressing long-term grid reliability concerns. At the direction of the PJM Board of Managers, PJM and stakeholders launched an expedited Critical Issue Fast Path (CIFP) process to consider and propose market rule changes aimed at ensuring resource adequacy and preserving reliability. As a result of the CIFP, PJM filed a comprehensive set of reforms with FERC in October 2023. Although FERC did not approve all of the CIFP reforms, on January 30, 2024, it accepted important enhancements to PJM's capacity market related to capacity resource accreditation and risk modeling and rejected others without prejudice to refiling with additional support. Exelon supported the CIFP efforts, including the approved changes to the PJM capacity market to ensure continued reliability for our customers.

State-Level Policies and Exelon Regulatory Actions

Many of our jurisdictions have adopted strong, forward-leaning goals and policies related to decarbonization, advancing renewables and clean energy, transportation electrification and deploying DER and EE. These goals and policies provide opportunities for Exelon's utilities to make investments and recover costs through various forms of alternative ratemaking, including the use of multi-year plans and capital trackers. In addition, each jurisdiction is focused on making the transition to a resilient lower-carbon future that is more equitable and inclusive.

As states and companies make commitments to cleaner renewable generation sources, the electrification of end uses provides an increasingly important pathway to decarbonization. Examples of our actions to promote electrification policies include recent activity in Delaware, Illinois, Maryland, New Jersey, Pennsylvania and the District of Columbia.

Delaware

Based on Delaware's Climate Action Plan, DPL Delaware is working to help the state reduce emissions and improve resilience to climate change impacts. DPL Delaware continues to offer an EV-only rate to allow EV owners to utilize a time-of-use rate tailored to the load profile of EVs, incentivizing transportation electrification by allowing savings for off-peak charging. On the clean energy side, DPL Delaware administers a community solar program expected to grow over the next year to provide more equitable access to solar generation while maintaining affordability.

Illinois

ComEd has been working to implement key strategies and processes to support Illinois' decarbonization goals. The 2021 Climate and Equitable Jobs Act (CEJA) calls for 100 percent decarbonized electric generation in Illinois by 2045, advancing transportation, building electrification and creating economic and workforce development opportunities to bring the benefits of the clean energy transition to as many consumers as possible. CEJA's carbon mitigation credits also have provided climate and rate stabilization advantages to our customers since June 2022. In conjunction with other clean energy environmental initiatives in Illinois, all ComEd's retail customers had 92 percent of their 2023 energy consumption financially matched with Illinois carbon-free resources, through the procurement of a combination of RECs, ZECs and other instruments.

ComEd continues to work with the Illinois Commerce Commission (ICC) as well as stakeholders to support Illinois' policy goals. Last year, ComEd obtained approval from the ICC to implement its first beneficial electrification plan. The beneficial electrification plan advances transportation and building electrification through incentives that improve cost savings for customers. The programs and associated pilots will become available in Q1 of 2024. In January 2023, ComEd filed its first multi-year grid investment plan and multi-year rate plan with the ICC, setting out a forward-looking strategy to combat climate change, enhance grid reliability and promote the state's clean energy goals. Developed to meet specific requirements from CEJA and build upon significant stakeholder discussion, the plans align with ComEd's 2030 vision for advancing an equitable, low-carbon future. They provide the roadmap and financial backbone to enable ComEd to continue to deliver safe, reliable and innovative performance. ComEd's grid plan will continue to be evaluated by the ICC in 2024 and, upon approval, the ICC is expected to update rates in the multi-year rate plan to match the investments outlined in the plan.

> As states and companies make commitments to cleaner renewable generation sources, the electrification of end uses provides and increasingly important pathway to decarbonization.

Maryland

Following the passage of the Climate Solutions Now Act (CSNA) in 2022, Exelon's Maryland utilities are supporting the state's climate goals of a 60 percent reduction of GHG emissions by 2031 (relative to a 2006 baseline) and net-zero statewide by 2045. The Maryland Exelon utilities participate in eight workgroups developing policy recommendations to help the state achieve the CSNA targets. As authorized under the CSNA, BGE filed a comprehensive EV school bus plan in 2023 with the Maryland Public Service Commission (PSC), including incentives for vehicles, charging infrastructure and training. BGE expects an order on this proposal by Q3 2024.

The Maryland Exelon utilities continue to engage in positive ways with our Commissions and stakeholders to advance state policy goals. In the past year, the Maryland PSC approved BGE and PHI's Energy Efficiency and Demand Response programs for the 2024–2026 EmPOWER Maryland cycle. Pepco MD and DPL MD filed comprehensive EmPOWER plans in August 2023, which included customer incentives and rebates for transportation and building electrification. DPL MD energized the first "virtual power plant" in the PJM region in 2022, partnering with PJM and Sunnova to leverage the capabilities of behind-the-meter batteries to supply energy to the grid. The utilities' EVsmart initiatives have expanded their network of utility-owned-and-operated public EV chargers, provided EV smart charger incentives to consumers and implemented innovative EV-only time-of-use rates. The MD Exelon utilities have supplemented these state programs with federal funding for additional programs, including advancing smart charge management and deploying EV rideshare fleets and infrastructure.

Maryland's Community Solar Energy Generating System Program established a pilot program under the authority of the Maryland PSC, which became permanent in 2023 and under the leadership of the Maryland Exelon utilities, BGE, Pepco and Delmarva have collectively integrated over 120 MWs of operational community solar projects for the benefit of over 19,000 subscribers.

In light of ambitious state climate goals and Exelon's Path to Clean commitments, BGE published a decarbonization pathways analysis in partnership with E3 to evaluate and identify the most affordable pathways to decarbonization specifically for its central Maryland customers.

New Jersey

ACE supports New Jersey's efforts to decarbonize and electrify the state economy, as laid out in the New Jersey Energy Master Plan and Clean Energy Act, as well as other climate initiatives such as exploring energy storage and solar incentive programs. ACE works to support transportation electrification through the EVsmart program with innovative rate design and providing incentives regarding the costs for new EV chargers for residential and commercial customers and incentives for public chargers in NJ communities. ACE is also a key partner in building transmission infrastructure to support development of offshore wind generation. In 2023, ACE's Powering the Future application to support solar development through system investments was approved, which will enable an additional 50,000 residential solar customers. Responding to the increased frequency of extreme weather events, ACE is hardening infrastructure to mitigate damage from winds and flooding, including battery storage projects and reliability upgrades throughout the state. In December 2023, ACE proposed a bold portfolio of energy efficiency, demand response and building decarbonization programs to the New Jersey Board of Public Utilities, aimed at directly responding to New Jersey's ambitious climate objectives and supporting the state's energy reduction goals. This portfolio is currently under review by the Board.

Pennsylvania

PECO has been a leader in supporting transportation electrification initiatives in Pennsylvania, with an emphasis on the deployment of charging infrastructure on essential public access corridors and in underserved communities. In 2019, PECO piloted EV Fast Charging to support customer installation of publicly available, public transit or workplace fleet direct current fast chargers (DCFC) through reduced customer demand charges. In 2021, PECO implemented electric Time-of-Use (TOU) rates to allow customers, including EV owners, to reduce their costs by switching their electricity consumption to off-peak times. The TOU rates also enable customers with rooftop solar to enjoy a higher net metering credit for electricity that they inject to the grid during on-peak times.

PECO also launched a $1.5 million incentive program in 2022 as part of the Company's EV Charging Pilot to support commercial, industrial and public transit customers interested in clean transportation options. In September 2023, the Pennsylvania Public Utility Commission (PA PUC) approved PECO's filing to modify the public transit incentive program into a more flexible Public Benefit Program and extend its reduced DCFC demand charge pilot.

In addition, PECO is playing a leading role in encouraging Pennsylvania's policy makers to increase their commitment to solar energy while making solar programs more accessible, affordable and equitable for all. PECO is implementing a first-of-its-kind local solar procurement program under the state's Alternative Portfolio Standard, supporting the solar workforce and working with customers to expand solar adoption in the region.

PECO incorporated natural gas quality standards in its tariff in 2021 to support the further development of RNG. PECO continues to provide safe and reliable natural gas service to its customers.

D.C.

Pepco's proposed and existing programs strongly support the District's climate and clean energy goals for an equitable decarbonization. In April 2023, Pepco filed a petition to streamline the interconnection process and lower overall distribution system interconnection costs for customers that are applying to interconnect to Pepco's system small generators up to 20 kw by implementing a flat flee in lieu of paying for distribution system upgrades. The petition is currently pending before D.C. PSC. In December 2022, Pepco filed its Climate Solutions Plan Phase 1 application, which proposed 11 programs designed to increase the number and availability of electric vehicle charging stations throughout the District of Columbia and upgrade electric systems to enable electrification. Pepco aims to provide 40 percent of the customer incentives in the application to low-to moderate-income customers and under-resourced communities, drawing inspiration from the federal Justice40 initiative, which directs certain federal investments to provide 40 percent of benefits to disadvantaged communities that are marginalized, underserved and overburdened by pollution. This filing is currently under review by the D.C. PSC. Pepco also filed an innovative make ready program to remove barriers to residential small solar, enabling more customers to take advantage of local clean energy. Finally, to support more equitable access to solar, Pepco actively supports D.C.'s Solar for All program with over 430 community solar projects, with a cumulative capacity of ~40MW, providing better access to renewable energy generation.

Pepco also engaged with the Brattle Group in 2021 to conduct a study to assess the impacts of electrification based on the goals set by the District and better understand the path towards a smarter, more reliable and cleaner energy system.

Integrating Climate Change: When a Business Plan Becomes a Transition Plan

Exelon is one of the largest T&D utilities in the United States and we have a clear commitment to support the energy transition. This means our climate change and business strategies are inextricably linked. Our business is building the grid to enable the transition. Exelon delivers clean energy and enabling programs to customers, with a focus on equity, affordability, and economic growth during the transition.

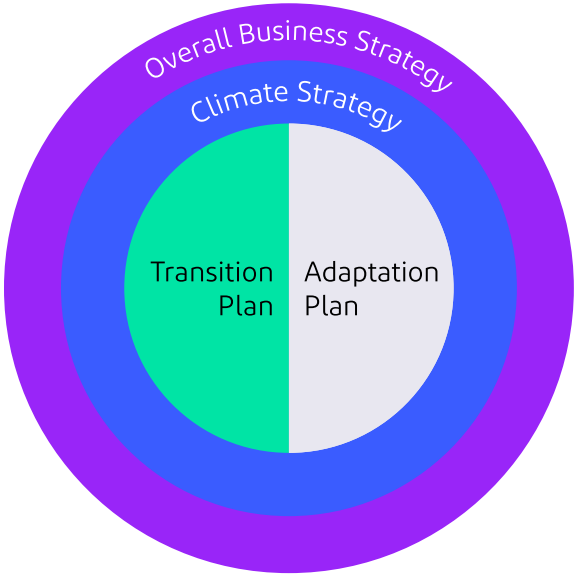
We understand that all nations and sectors of the economy must work to transform their energy use toward carbon neutrality to reduce the impacts of climate change on future generations. An economy-wide transition will require unprecedented levels of action by all stakeholders—from suppliers to customers, who ultimately decide what products and services they will buy. It will also require timely and effective policy measures to ensure that greenhouse gas (GHG) emissions goals can be achieved equitably and as quickly as possible. At the same time, the physical changes to the climate and environment will continue for decades due to the long life of past GHG emissions in the atmosphere.

We recognize that climate change will disproportionately impact under-resourced communities. Solutions for adapting to physical climate change impacts and transitioning the country's energy systems to support a net-zero economy must address equity issues.

Evolving energy systems to resiliently decarbonize while maintaining a focus on energy access and affordability is a daunting challenge, but it is also a tremendous opportunity. It is our impetus to invest in infrastructure, people and the future.

We are working to align our transition and adaptation planning with our new Environmental Justice Principles to include consideration of all of our customers, employees, business partners and communities in social, environmental, and economic progress. Our workforce development and science, technology, engineering, and mathematics (STEM) Academy programs are examples of our local communities' efforts to develop the technical and leadership skills necessary to support a just transition to a more resilient, net-zero energy system.

Relationship Between Business Strategy, Climate Strategy and Transition Plan[1]



> Exelon is evolving energy systems to enable decarbonization and build resilience while maintaining a focus on energy access and affordability.

[1] Adapted from TCFD Guidance on Metrics, Targets, and Transition Plans, October 2021.

Exelon Climate Change Program Structure

Governance: Oversight of climate-related risks and opportunities

Exelon maintains a Climate Change Policy and has established its Path to Clean Program and Steering Committee, ensuring employees understand our position on these issues. Support for our actions comes from the highest level of the company, including an executive compensation tie-in to GHG emissions performance. Our Board of Directors and its Corporate Governance Committee ultimately oversee Exelon's management of climate change considerations, and our Sustainability Council advises our Executive Committee on climate change issues. Please see the Sustainable Governance section for more detailed information.

Strategy: Using scenario analysis to integrate transition and adaptation considerations into business strategy

Exelon's vision is to deliver safe, reliable, affordable and increasingly cleaner energy to our customers and communities. Our business strategy aims to lead the energy transition by influencing and enabling clean energy supplies and supporting our customers with reducing or better managing their energy demands. We are focused on our core business and are strengthening our infrastructure to prepare for enhanced grid reliance, reliability, and resilience, as well as modernizing our energy delivery systems with new technologies that enable flexible operations in the future. We seek to invest in our communities so that the workforce and under-resourced communities accrue the benefits of the transition. Scenario analysis allows us to better understand the scope, scale and pace of the transition needed to meet climate goals as well as operational, financial, and other impacts for clean energy supply, customers, and for the climate changes we may need to endure to inform our approach in the broader business strategy.

Risk Management: Identifying, assessing and managing climate-related risks

Scenario analysis indicates broad changes in how energy will be produced and how it will be used. Both the pace of change and types of new technologies available to decarbonize and the uncertainties of changing environmental operating conditions can challenge current investment plans. Exelon's utilities are regulated by local public service commissions that approve our investments which determine customer rates. Our utilities are required by these authorities to maintain certain levels of reliability and to provide access to energy for all customers within established rate structures. Exelon combines learnings from decarbonization and climate change projection studies with other risk indicators to balance investments in line with the priorities of its communities.

Metrics and Targets: Metrics used to assess our efforts

Exelon transparently reports metrics related to the energy transition, including Scope 1, 2 and 3 GHG emissions, as well as performance metrics relating to how it enables its customers and communities to avoid emissions associated with the energy they use. Exelon will continue to measure and report its corporate GHG emissions and establish new metrics over time to demonstrate how it is advancing decarbonization, resilience and equity initiatives for the communities it serves.

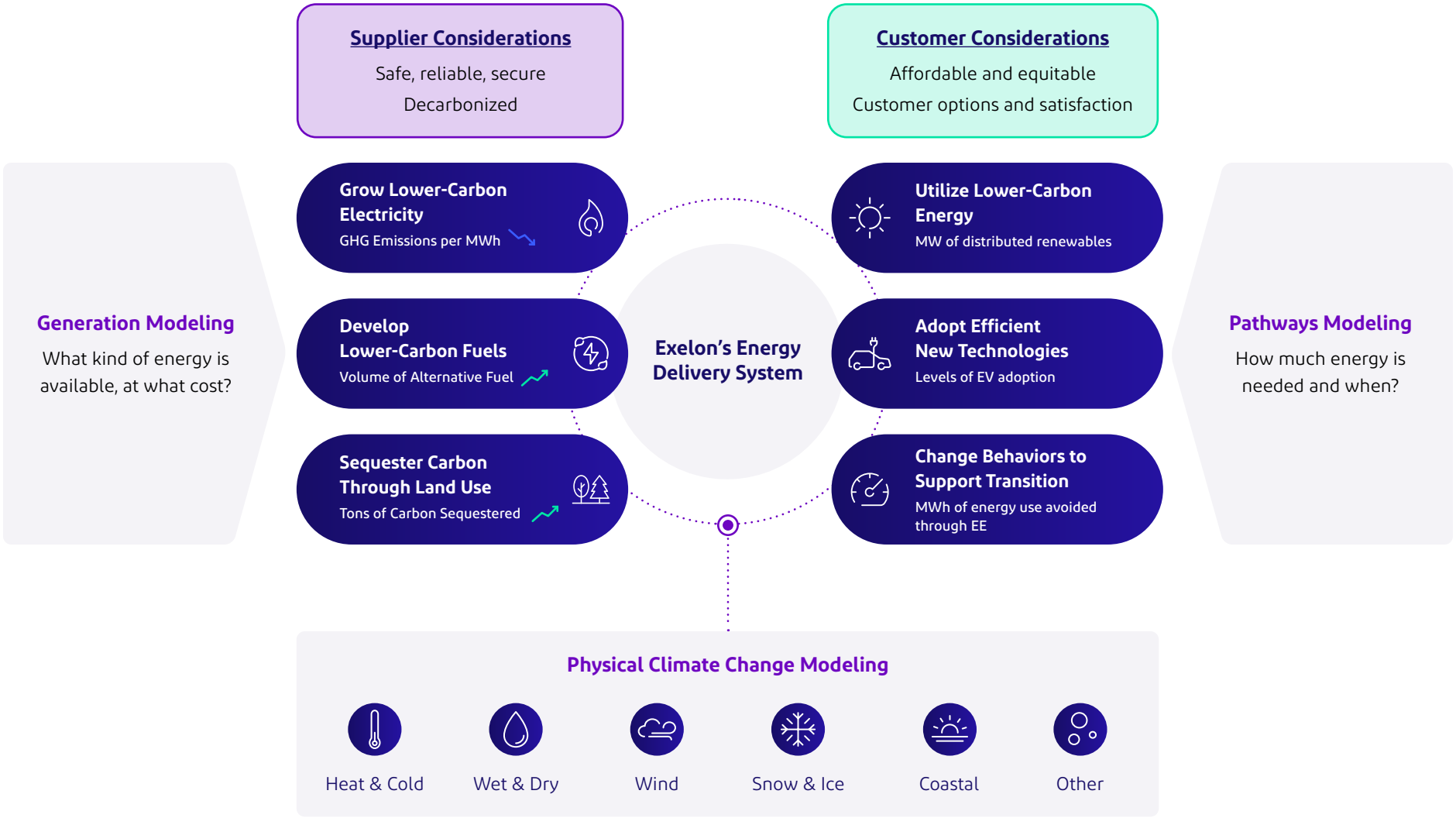
Learning Through Scenario Analysis

As discussed in the Exelon's Business Strategy section, Exelon faces a complex and accelerating mandate from our customers and stakeholders to help lead the clean energy transition in a manner that is reliable, affordable, equitable and that provides options that let them take control of their energy usage. Industry trends, such as an increased focus on clean energy and climate policy, rapid technological advances, and evolving customer expectations, are also driving the energy transition. The issue of climate change plays into each of these trends by accelerating the needed changes and associated consequences of not transforming quickly enough.

To inform the development of a successful business strategy in a lower-carbon future, Exelon reviews and conducts climate change scenario modeling to better understand the implications of decarbonization on the energy economy, customers, and the communities we serve. Examples of modeling include:

- **Supply-Side Generation Capacity Expansion Modeling** to help understand the potential implications of different energy supply policies, cost assumptions, and new technology developments.
- **Demand-Side Pathways Modeling** to consider the implications of different customer technology adoption scenarios (e.g., electrification, distributed energy resources [DER] adoption rates, energy efficiency deployment).
- **Physical Climate Change Modeling** to evaluate the potential implications of rising temperatures, changes in the frequency and severity of extreme weather events, and other weather factors that may deviate from recent historical experience.

Using Scenario Modeling to Inform Strategy



Studies, scenarios, and "what if" analyses help us to prepare for potential future energy transition challenges and outcomes. We understand that all modeled analyses hold assumptions and uncertainties, and we leverage these models to consider how certain variables might behave under different conditions. Thoughtfully designed scenarios allow us to prepare for mitigating climate change, driving towards lower cost and lower risk pathways and identifying appropriate timing for shifting to different pathways.

We have examined decarbonization studies aligned with The United Nations Intergovernmental Panel on Climate Change (IPCC) 2˚C and 1.5˚C ambitions to explore the difference in the level of effort needed between an 80 percent reduction by 2050 and Net Zero by 2050 targets. The scenarios provide a sense of how different actions drive societal costs and insights into when new technologies must be commercially available. We pay attention to input assumptions associated with technology and fuel costs, market readiness of technologies, grid decarbonization assumptions, and supply costs.

In addition to reviewing publicly available studies done by industry groups, government agencies, and non-governmental agencies, we participated in two decarbonization transition studies in 2022, which explored potential pathways and implications of broad state-level goals and actions associated with our service territories that are now being used to guide execution of our role in the achievement of those goals.

- The BGE Integrated Decarbonization Study sought to expand upon recent statewide analyses in Maryland and assess decarbonization options within BGE's service territory, focusing on impacts for BGE's customers. This latest E3 analysis represents the first decarbonization study developed since the enactment of the Climate Solutions Now Act (CSNA) of 2022, showing the value of coordinated electric and gas infrastructure planning in meeting Maryland's new goals of 60 percent reductions by 2031 and net-zero GHG emissions by 2045.

- The Illinois Decarbonization Study sought to build on the State of Illinois's decarbonization efforts, such as the Climate and Equitable Jobs Act (CEJA), which sets the state's electric power sector toward decarbonization. E3 worked with ComEd and a technical advisory committee to develop three transition scenarios to highlight the impacts of various approaches to decarbonize sectors of the economy that were not targeted under CEJA. The goals of this study were to determine the impact that CEJA and the national Inflation Reduction Act (IRA) could potentially have on GHG emissions in Illinois and to identify what additional measures are needed to achieve net zero.

All potential decarbonization pathways include rapid, large-scale deployment of zero-carbon energy and end-use solutions, each presenting opportunities and risks for Exelon.

We understand that barriers to policy and technology could slow the progress of transitioning to decarbonization. We need to focus on climate change adaptation across the areas we serve since atmospheric GHG concentrations will remain well above historic levels, regardless of the effects of mitigation on the rate of GHG emission reductions. We continue to work to understand technology developments through our Technology Collaborations and Partnerships and the climactic changes that already projected for our territories' respective regions under various emissions scenarios.

Building on our initial involvement with the DOE's Partnership for Electric Sector Climate Resilience, Exelon works to better understand the potential physical impacts of climate change on our assets and operations over time. In 2023, we expanded our efforts through local deep dives and industry-wide initiatives to advance this objective. To support new state legislative focus areas, ComEd expanded its partnership with Argonne National Laboratory's Center for Climate Resilience and Decision Science (CCRDC) to forecast future climate conditions for northern Illinois and consider the future climate risk exposure that ComEd's infrastructure and operations may face in the future. Following the first report ComEd produced with CCRDC, "ComEd Climate Risk and Adaptation Outlook, Phase 1: Temperature, Heat Index, and Average Wind," the second report, Phase 2, will focus on forecasting for precipitation and icing. These efforts seek to present an up-to-date understanding of how climate change may affect ComEd's distribution grid and highlight the need for strategies that adapt to future climate conditions. This work also lays the groundwork for how Exelon can best use climate change projection data for other regions in which it operates.

Incorporating climate change scenario analysis into our business strategy informs our transition and adaptation planning. Our goal is to support jurisdictional priorities and that our current actions optimize customer investments while minimizing future climate change impacts.

Exelon continues to participate actively in the Electric Power Research Institute's (EPRI) Climate Resilience and Adaptation Initiative, or Climate READi, to continue building electric industry standardization around climate resilience and how best to use forward-looking climate projections in energy planning. This initiative aims to develop a framework to identify optimal resilience and adaptation investments in the power system in the context of climate and extreme weather risk. Through Climate READi, Exelon supports industry-led efforts to convene global thought leaders and researchers to develop a comprehensive, integrated approach to managing physical climate risk. The program is divided into three focus areas: Physical Climate Data and Guidance, Energy System and Asset Vulnerability Assessment and Resilience/ Adaptation Planning and Prioritization.

Identifying and Assessing Climate-Related Risks

As discussed more fully in the Energy Transformation Risks section and informed by our scenario modeling, Exelon sees four key business energy transformation risks related to climate change.

- **Energy Transition Risks:** Energy systems are changing due to new technologies, changing customer expectations, emerging voluntary GHG mitigation goals and local, state or federal regulatory requirements.

- **Grid Reliance Risk:** As the grid transitions and reliance on information technologies continues to grow, our customers and communities will depend on electric supply to support their use of digital technologies, creating an even more critical need for reliability and resilience.

- **Physical Climate Change Risks:** Changes to the climate, which may result in changes to current weather patterns, could pose increased challenges to our facilities and operations.

- **Affordability Implications:** Underpinning these transition risks are the impacts on customer affordability and equity. Equitable and affordable energy access must be maintained while investments and costs are incurred to support the energy transition.

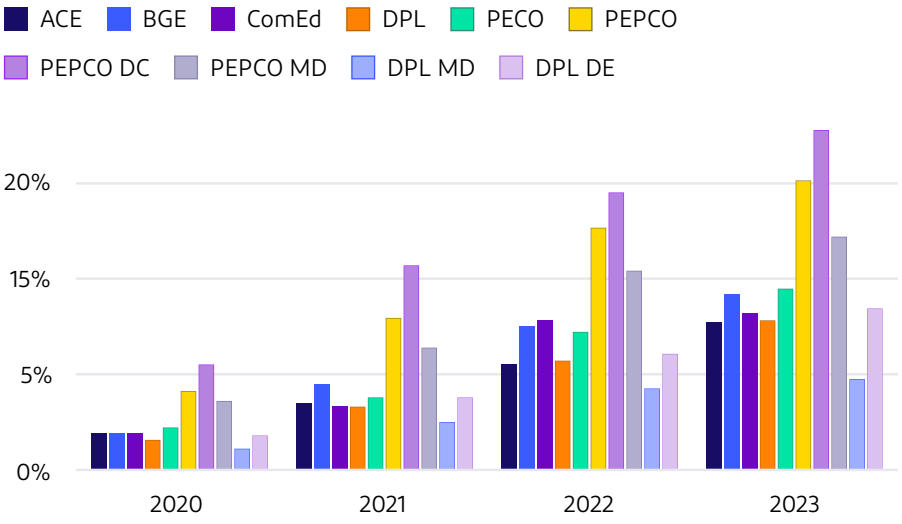
These risks are not solely driven by the issue of climate change, but relate to risks that we have been successfully managing for decades—adapting to evolving demands and ensuring reliability despite the effects of weather while maintaining manageable costs for the customer. However, new or increasing changes to climate have the potential to accelerate the necessary pace of system adaption, particularly as it relates to both adjustments to energy use and responsiveness to weather impacts.

External Risk Indicators

While our scenario analysis work helps us learn about potential pathways and projections associated with transition and adaptation, Exelon has also developed external key risk indicators (KRIs) to monitor how these areas are evolving in context with historical trends and the modeled projections for the future. Some key examples include:

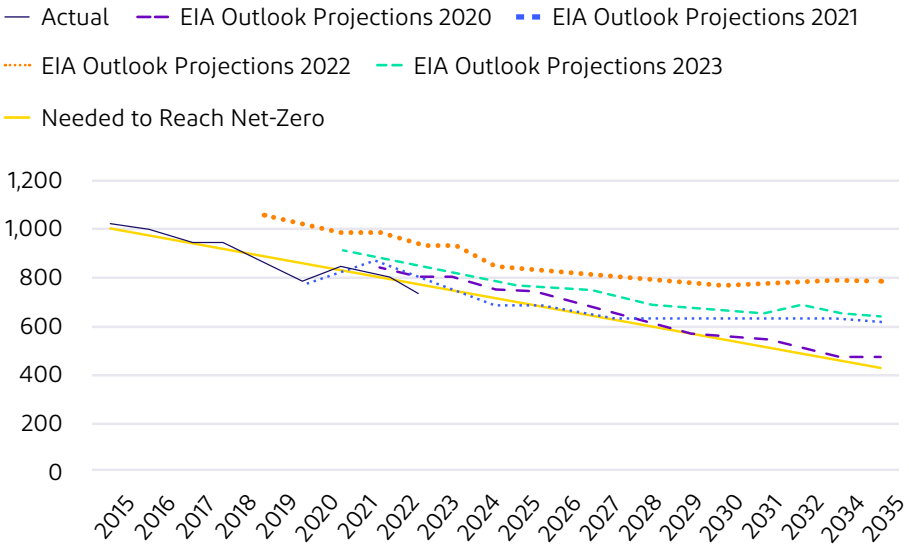
EV Adoption in Our Territories

Percent Plug-in EVs



PJM ISO Grid Average

Pounds of CO_2 per MWh



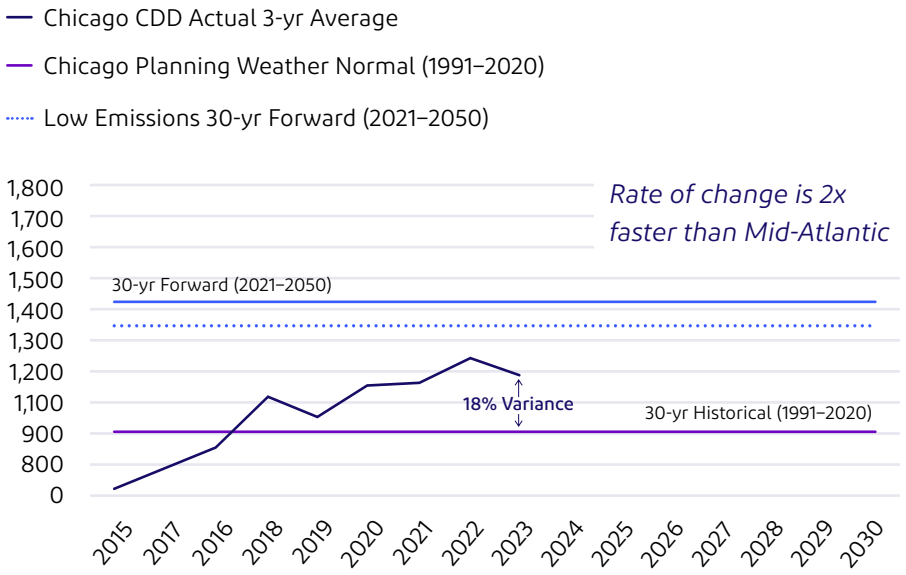
Energy Transition and Grid Reliance

Exelon tracks electric vehicle (EV) adoption across our territories as one leading indicator of energy system transition. While we are preparing for many types of technological change, EV adoption has the potential to change both loads and load shapes most quickly. We monitor market adoption for EVs to allow us to turn this risk into an opportunity, tracking not just when it hits a certain level, but also how quickly it is changing over time.

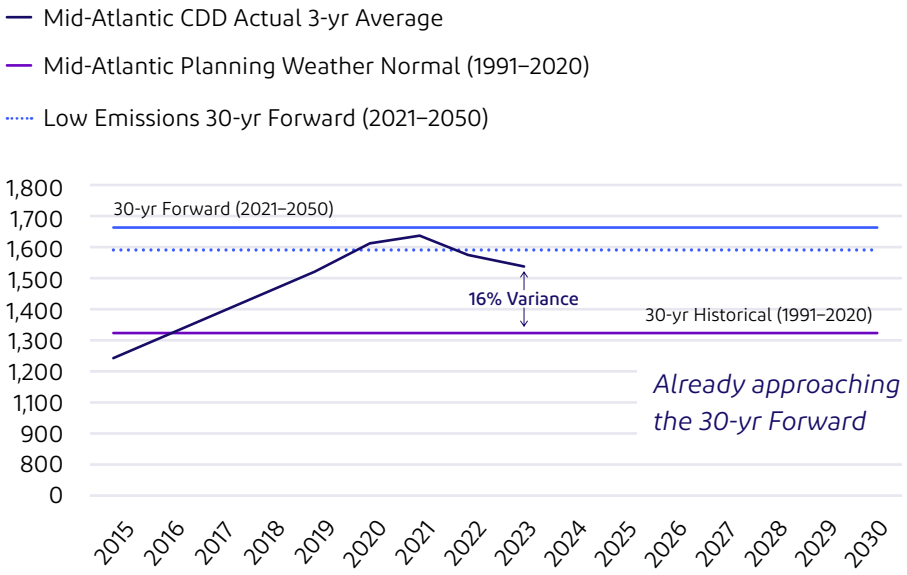
Grid Decarbonization

Exelon tracks grid electric supply emissions rates as a measure of decarbonization success. As Exelon no longer owns electric generation, we do not have direct control over the emissions rate of the electricity that we deliver to our customers. Therefore, we monitor the actual and projected Pennsylvania-New-Jersey-Maryland Interconnection (PJM) grid emissions rate in context with the needed glideslope to reach Net Zero by 2050.

Chicago Cooling Degree Day KRI



Mid-Atlantic Cooling Degree Day KRI



Physical Climate Change Risks

Exelon leverages emerging and recent year changes in the need for cooling as a leading indicator of physical climate change in our areas. While we recognize that there are a variety of climate change parameters that may affect our assets, hot temperatures are one of the best high-level indicators measured and accurately modelled. We also use Cooling Degree Days to consider increasing heat impacts on electricity demand for the electric industry. Increasing peak and average temperatures also have implications for the performance and design requirements of our electric system equipment. Thus far, this indicator suggests that the Mid-Atlantic is already getting close to its 30-year projection. While the Midwest is tracking closer to projected change, its relative change is projected to be nearly twice that of the Mid-Atlantic and its rate of change is occurring nearly two times faster.

Managing Climate-Related Risks

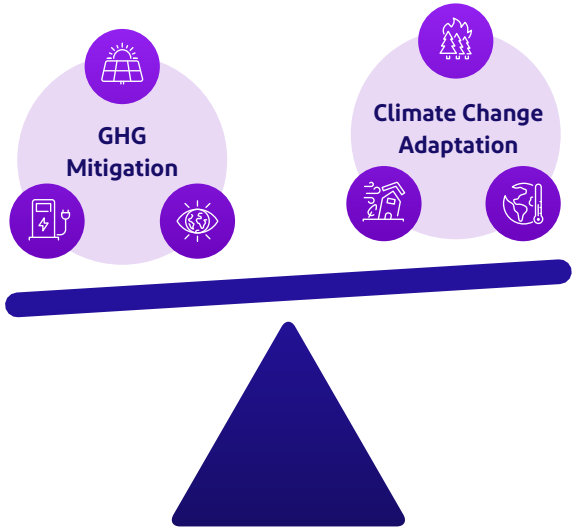
Recognizing the challenges at hand, Exelon carefully considers how we address these future risks in the face of great uncertainty. Some investments in new technology and resilience have obvious benefits, such as smart meters that provide insights and control energy use for end-users or automatic reclosers that help redirect power flows in the event of system disruption to minimize customer outages.

Other, longer-term investments are more complicated and require consideration of future operating factors, the type of energy and volume they must serve, and the weather conditions they must withstand. As the historical guidelines from our past operations may no longer reflect future conditions, we are adding Transition Planning and Adaptation Planning to our strategy toolkit to seek the right combination of investments to best prepare for the future. As a regulated essential service provider, understanding the potential impacts of these emerging risks allows us to best inform and coordinate with our local communities and public service authorities on a balanced approach to maintain reliable, affordable and clean energy that meets evolving customer needs.

With the announcement of our Path to Clean GHG reduction plans in 2021, we laid out a three-pronged approach to managing climate-related risks:

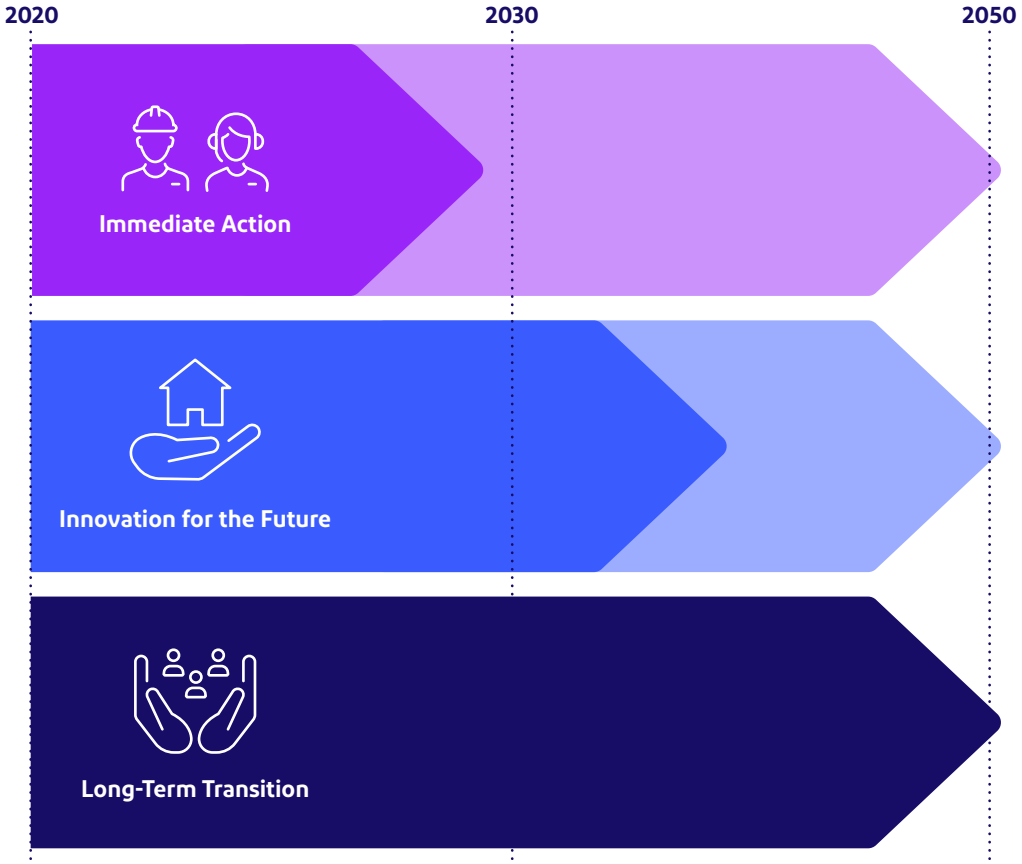
- **Short-term:** Focus on immediate action to cut our operations-driven Scope 1 and 2 GHG emissions by 50 percent by 2030 (compared to a 2015 baseline). This goal includes sources we directly control, such as our buildings, vehicle fleet and the assets we use. Our plan through 2030 is based on harnessing technologies available today to quickly reduce emissions in hopes of lessening long-term climate impacts.
- **Mid-term:** Focus on innovation for the future. Understand the challenges we face in emissions reductions and adaptation through research, pilots and industry-wide efforts to develop new solutions to achieve Net Zero by 2050.
- **Long-term transition:** Seek to coordinate with our communities to make short- and mid-term investments that meet their future clean energy goals, with a focus on affordable and reliable energy systems.

Balancing Climate Change Mitigation and Adaptation



Our Path to Clean program directionally aligns our operating companies around decarbonization and integrates short-, mid- and long-term climate change imperatives into our business strategy. Our goal is also aligned with the level of economy-wide, global effort needed to limit global temperature rise to 1.5°C above pre-industrial levels, which the IPCC identified as necessary to avert the worst impacts of climate change. In addition, Exelon's goals for operations-driven emissions are in alignment with the Science Based Targets Initiative (SBTi) Validation Protocol, which states that the ambition needed for absolute emissions reduction targets with base years between 2015 and 2019 must meet a minimum reduction of 4.2 percent per year times the target year minus 2020. A reduction of at least 42 percent (10 years times 4.2 percent) is required based on Exelon's 2030 target year and 2015 baseline.

Exelon's Path to Clean Strategy[1]



Short-Term

Company and Operations

Take actions to reduce operations-driven emissions by 50% by 2030 and continue planning and investment to achieve net-zero GHG emissions by 2050

- Buildings
- SF_6
- Emergency Generation
- Fleet Vehicles
- Pipe Replacements
- Refrigerants

Mid-Term

Empowering Customers

Advance technologies needed for our operations to achieve net-zero by 2050

- Public Charging
- End Use CCS
- Clean Fuel Blending
- Distributed Solar
- Carbon Offsets
- Demand and Flex Load
- Battery Storage
- Energy Efficiency
- Climate Adaptation

Long-Term

Community Support

Partner with communities on policies and investments in a clean energy future

- Market Rules
- Grid Emissions Rates
- Community Interaction
- Asset Ownership
- Rates and Recovery
- Customer Programs

[1] Initiating actions across all areas now, so emerging technologies will be broadly ready for implementation as they are needed.

Transition Planning for Economy-Wide Energy Transformation

As we build toward a Transition Plan and integrate it with our business strategy, we understand that only some of the choices and actions are ours to make. Transforming energy systems to a low-carbon economy will require actions across every sector, economy-wide. We will need markets and policies that drive upstream decarbonization of electric supply and downstream end-user choices that improve efficiency and flexibility in electric demand. Exelon is mapping out opportunities to enable this future through direct and indirect actions.

Exelon's Role in the Energy Transition

Our Utilities in Action:

- ComEd 2030 Roadmap
- PEPCO Climate Commitment and Approach
- ACE Climate Action Website
- Delmarva Climate Action Website
- PECO Climate Action Website
- BGE Climate Action Website

Supporting a Just Transition

The energy transition impacts every aspect of our society. Exelon is poised to work with our communities to support flowing benefits of such a transition to reach historically under-resourced areas. We aim to bring equity to the energy transition by engaging and partnering with our communities while simultaneously paying close attention to the equitable distribution of costs and benefits and the energy burden felt across these communities. Our approach is grounded in commonly accepted equity frameworks that address the major dimensions of equity:

- **Recognition and Restorative Equity:** Calls for an acknowledgment and demonstration of a comprehensive understanding of historic and contemporary inequalities, and asks what changes are needed in structures, programs and policies to remedy prior and present harms faced by communities negatively impacted by the energy system.
- **Procedural Equity:** Focuses on who is at the decision-making table, whose voices are heard and who is able to exercise power by having meaningful participation or voting in decisions.
- **Distributive Equity:** Addresses the degree to which all share equitably in the benefits and burdens of the energy system.

The speed and breadth of a low-carbon transition depend on community goals, regulatory and market structures and the industries and natural resources that are most readily available. These variables also influence the extent to which the available actions may prove to be an opportunity or risk to stakeholders. The community's economic health is also a factor in ensuring widespread access to new technologies and increasingly cleaner energy, as well as determining whether the local workforce can be developed to support a low-carbon transition. Each of our utilities works with their communities and state regulators to maximize their positive impact to help attain community goals and stimulate local economies.

As an essential energy provider, we are responsible for ensuring that our customers are well-represented in the transition conversation. Therefore, ongoing engagement with our communities is essential to developing a transition plan that best suits their needs and goals within the bounds of the regulatory structures in the service areas where we operate.

The utility industry business model is structured such that the costs of the energy commodity and the investments made to expand, modernize and adapt the distribution system are ultimately passed on to customers at the rates reviewed and approved by public utility commissions. We carefully consider the overall prudency and cost-effectiveness of our investments, as well as the economic impacts on all energy users and equal access to the beneficial aspects of transition, to determine how to best respond to the needs and ambitions of our communities. The table below provides a high-level overview of climate- and transition-related goals in the jurisdictions served by Exelon. With Exelon's T&D-only business model, we are well-positioned to support our jurisdictions in achieving their planned goals in many of these areas.

Example Climate- and Transition-Related Goals in the Jurisdictions Served by Exelon[1]

State	GHG Reduction Goal	Renewable Energy Goal (Solar Carve Out)	Electric Vehicle Adoption Goal	Energy Efficiency Goal	Battery Storage Goal	Community Solar Program	Offshore Wind Goal
Washington D.C.	60% by 2030; carbon neutrality by 2045	100% by 2032 (15% by 2041 in-state)	25% registered by 2030; 100% by 2045	50% reduction in per capita energy use by 2032	—	Yes	—
Delaware	50% GHG net emissions reduction by 2030 below 2005 levels; 100% net-zero by 2050	40% by 2035 (10% by 2035)	17,000 ZEV sold annually by 2030; 82% EV sales target through MY 2032 (ACCII)	—	—	Yes	—
Illinois	Zero emissions from electric generation by 2050, and net-zero aspirational for the state by 2050	40% renewable energy by 2030 and 50% by 2040 (55% of the Renewable Portfolio Standard [RPS] goal)	1 million registered EVs in the state by 2030	ComEd must attain 21.5% persisting energy savings by 2030	—	Yes	—
Maryland	60% by 2031 below 2006 levels; net-zero emissions by 2045	52.5% Renewable by 2030 (RPS Goal), 100% clean energy by 2035 (Administrative Order)	300,000 by 2025, and 600,000 registered by 2030; 100% ZEVs by 2035 (ACCII)	2.5% annual reduction starting 2027	3,000 MW by 2033	Yes	8,500 MW by 2031
New Jersey	50% below 2006 levels by 2030; 80% by 2050	100% clean by 2035 (32 GW by 2050 instate)	330,000 "on the road" by 2025	2% annual reduction by 2025	2,000 MW by 2030	Yes	11,000 MW by 2040
Pennsylvania	Aspirational goal of 26% reduction by 2025 and 80% by 2050 below 2005 levels in the previous governor's Climate Action Plan	8% by 2020–2021 (0.5% by 2020–2021)	No stated passenger EV goal; 100% ZEV MHD sales by 2050, 25% EV state fleets by 2025	Mandatory kWh reductions set by PA PUC on company-specific basis	—	No	—

[1] This table provides a summary view of climate change-related goals enacted into law, or created by administrative policy, in the states and jurisdictions served by Exelon's utilities as of March 2024. It is intended to provide examples of current longer-term requirements at the highest level; readers interested in the details of these goals are advised to consult the implementing legislation or executive action. In addition, jurisdictions served by Exelon may be considering now, or will in the future, new or modified climate- and/or transition-related goals across all listed categories, such as Delaware's 2023 consideration of an offshore wind procurement strategy.

Integrating Climate Change Adaptation

Maintaining energy system reliability has always been paramount to Exelon, and weather-related risk is a key focus area for the company. We have many processes and programs in place to prepare for potential events comparable to those experienced in the past—including Disaster Preparedness and Awareness and Exelon Utilities Storm Response. Each utility invests in new equipment designed to increase reliability and resilience, making our systems less vulnerable to the effects of increasingly extreme weather events. Actions include inspecting and replacing poles and trimming vegetation and trees and conducting tests and drills for crews to promote emergency response readiness. In addition, each Exelon utility can call on resources from its sister utilities to restore power more quickly after major storms.

Because of the accelerated impacts of climate change, we must focus on system resilience to avoid service interruptions and speed recovery times. Exelon continuously evolves our adaptation planning efforts as better tools and information become available. We are working to ensure our processes for system planning, operation, maintenance, and recovery consider a potential future different from what we've known in the past. Our processes must consider both acute physical risks, which are event-driven, and chronic physical risks, which include longer-term shifts in climate patterns.

Some of the ways we are expanding our efforts to adapt to the impacts of climate change include:

- Incorporating physical climate change data from the National Oceanic and Atmospheric Administration and other regional datasets into our existing system material condition assessments to allow for improved infrastructure planning.
- Working with our communities to understand their climate change response plans so that we can adapt and evolve in coordination with those efforts.
- Supporting the development of a common methodology for applying potential impacts to utility infrastructure planning and improvements in the tools used to evaluate the benefits of alternative resilience investments.

Exelon is working to expand its adaptation planning toolkit through our current involvement in the EPRI ClimateREADi program, which has specific segments focused on vulnerability assessment for the electric industry and planning and prioritization for adaptation and resilience specific to our business. As part of our participation with Climate READi, we also seek to coordinate and share information and best practices from across our utilities.

Exelon Perspective on Wildfires: One of Many Adaptations Planning Considerations

As the frequency and severity of wildfires has increased in recent years, Exelon, like many utilities, is examining the wildfire-related risks it faces across its jurisdictions. The Federal Emergency Management Agency (FEMA) currently assesses wildfire risks as relatively low throughout most of Exelon's service territories, with pockets of moderate risk and a small number of areas with elevated risk at the census tract level. Exelon manages wildfire-related risks principally through our emergency response planning, protocols and drills; vegetation management practices to maintain line clearances, and asset investment strategies as we maintain and invest in new equipment. Our monitoring and planning related to all emerging climate-related physical risks, including wildfire risks, is informed by periodic reviews of the latest publicly available climate change modeling, ongoing consultations with local government emergency response organizations, and work with our industry trade groups to identify and share best practices and learnings from other utilities.

GHG Emissions Profile

Exelon measures its GHG emissions in accordance with the World Resource Institute Corporate Standard for GHG Accounting. These include:

- **Scope 1:** Direct emissions from company-owned and controlled sources—e.g., company facilities and vehicles, and fugitive emissions.
- **Scope 2:** Indirect emissions from Exelon's consumption of purchased electricity that we consume—we divide these into operations-driven Scope 2, associated with our occupied building use, and customer-driven Scope 2, associated with T&D system use and losses.
- **Scope 3:** Indirect emissions that occur in Exelon's value chain—i.e., associated with the production, generation, and end-use of the energy our customers consume.
- **Supplemental Biogenic Emissions:** CO_2 emissions associated with renewable biofuels that are considered carbon neutral for direct corporate accounting since their upstream emissions benefits are often greater than their end-use combustion emissions.

Please see our Full GHG Inventory and Accounting Protocol in the Appendix for more information on Exelon GHG emissions accounting and links to our GHG emission inventory verification statements.

Exelon Corporate GHG Emissions Over Time[1]

Thousand metric tons CO_2e	2021	2022	2023
Scope 1	467	452	413
Scope 2 (Operations-Driven)[2]	71	75	65
Scope 2 (Delivery System Losses)[2]	5,211	5,193	4,830
Total Scope 1 and Scope 2 (Operations-Driven) Emissions	5,749	5,720	5,308
Total Scope 3[3]	87,254	84,527	84,413

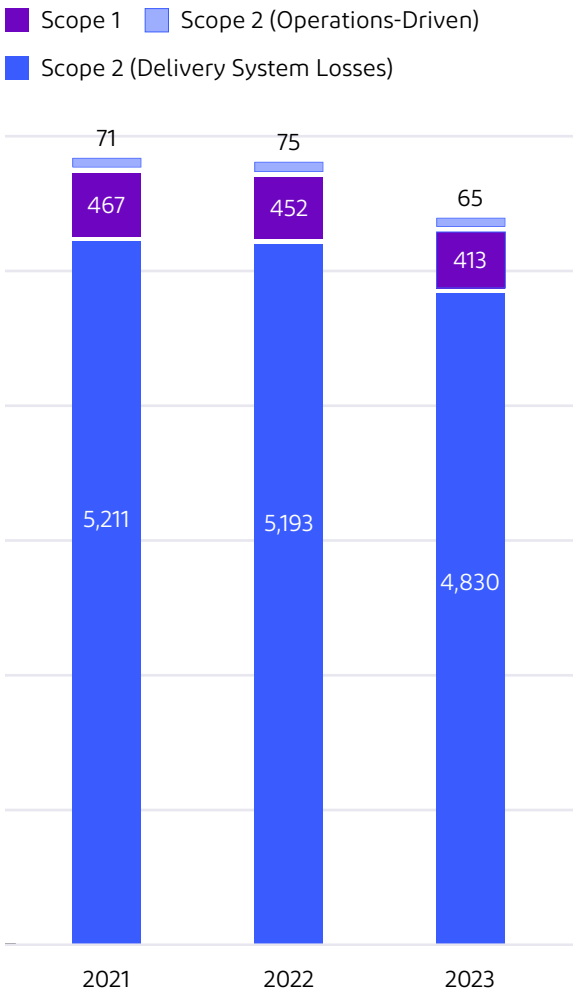
[1] Historic 2021–2022 data recast to reflect the current Exelon operational footprint, post-separation from Constellation. Data reflects total corporate and operating company GHG emissions.

[2] Market-based accounting.

[3] 2021 and 2022 values incorporate adjustments made to ensure all delivered load is reflected in the emissions presented.

Corporate GHG Emissions Over Time

Thousand metric tons CO_2e



Progress on Our Path to Clean

Scopes 1 and 2 Emissions: Our Company and Operations

Exelon's Path to Clean quantitative commitment is to reduce our Scope 1 and 2 operations-driven GHG emissions[1] by 50 percent by 2030 and to achieve net-zero operations-driven GHG emissions by 2050. Operations-driven emissions are those that we directly control, including those associated with our buildings, fleet vehicles, use of SF_6 insulating gas and our gas distribution system infrastructure. We focus on aspects of our business where we can directly control GHG emissions through evolved work practices, building and fleet vehicle investments, and deployment of new and expected future technologies to allow us to take action where we can in order to meet climate goals.

In 2023, we realized a 9 percent decrease in our operations-driven emissions from last year, achieving a 40 percent reduction from 2015. However, a portion of our 2023 emission reduction performance is due to some key equipment at one of Exelon's liquified natural gas plants being temporarily out of service for upgrades; this equipment will return to normal operational status in 2024. While the new equipment is more efficient than what was replaced, we anticipate a rebound of approximately 10,000 to 12,000 $mtCO_2e$ annually with the completion of the upgrades.

[1] Operations-driven emissions include 100 percent of our Scope 1 GHG emissions and the portion of Scope 2 GHG emissions associated with building energy use.

We saw steady performance in the areas we have targeted for reduction by 2030. From last year we have seen a 3 percent reduction in fleet emissions as a result of our vehicle electrification efforts and an increased focus on avoiding vehicle idling; a 50 percent reduction in SF_6 emissions as a result of the removal of the last first-generation breakers and continued focus on SF_6 management; 22 percent reduction in building-related emissions as a result of incorporating additional clean electric purchases; and a continued decline in fugitive natural gas emissions as a result of our pipe modernization programs.

Focus Areas and Actions to Cut Operations Emissions in Half by 2030

Company and Operations	
Buildings	Focus on energy efficiency (EE) and clean electricity for our operations **Examples:** audits, efficiency upgrades, zero-carbon electricity (nuclear) and renewable energy credit (REC) purchases, space optimization
SF_6	Invest in equipment and processes to reduce SF_6 leakage from our systems **Examples:** aging breaker replacement, leak management, and maintenance, SF_6 alternatives
Vehicle Fleet	Electrify 30 percent of our own vehicle fleet by 2025 and 50 percent by 2030 **Examples:** light-duty vehicle electrification and focus on fuel and operational efficiency
Gas System	Modernize our natural gas infrastructure to minimize methane leaks[1] and increase safety and reliability. **Examples:** aging pipe replacement, leak detection, third-party damage protection

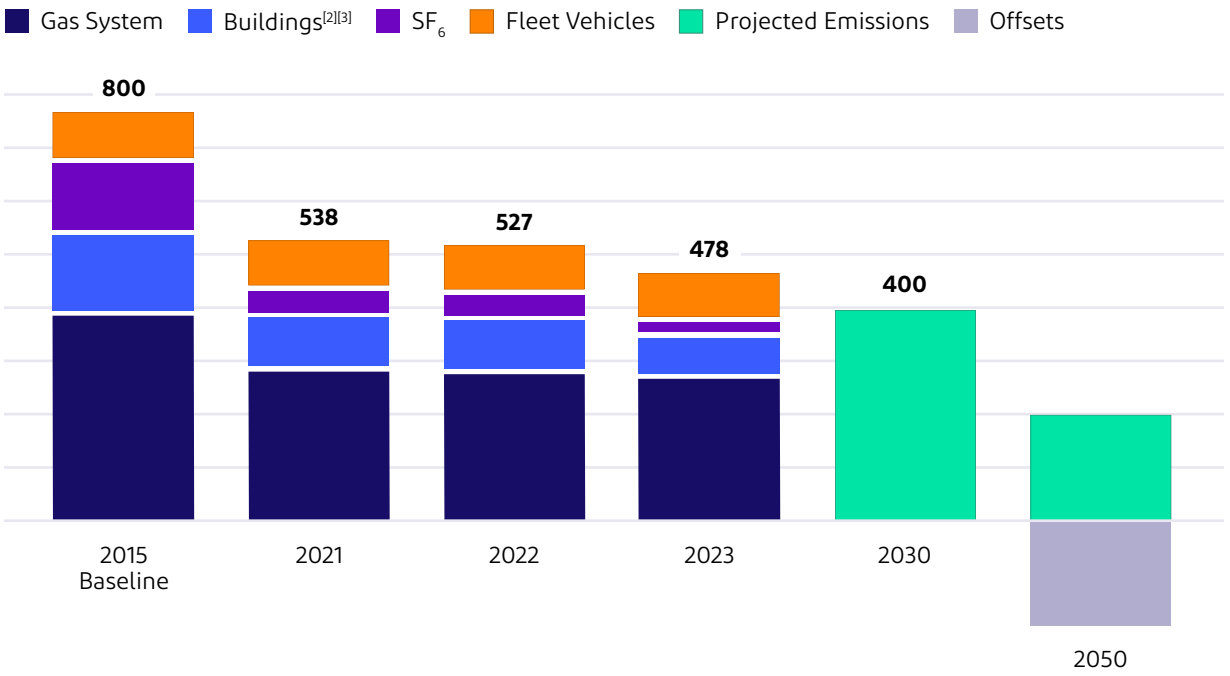
[1] Please see our Appendix for more details on natural gas system emissions.

We are focused on maintaining steady progress towards our 2030 reduction goal, and 2023 marks the first year that a Path to Clean GHG performance goal was included as part of a new responsible business modifier within an enhanced Annual Incentive Plan (AIP) for executive compensation under which up to 10 percent of the overall AIP payout for each named executive officer will be affected by environmental and social measures directly aligned to Exelon's progress on its Path to Clean and Diversity, Equity and Inclusion (DEI) goals. Please see the Sustainable Governance section for more information on this new performance incentive.

We are beginning to explore GHG offsets and recognize that they will be needed to meet our 2050 Net-Zero goal for emissions that cannot be otherwise reduced (currently estimated at 20 percent of our expected Operations-Driven GHG emission inventory in 2050). We also are observing that the science and guidance around the use of GHG offsets is still emerging (with a current focus being placed on carbon removal and/or sequestration offsets). Therefore, we plan to continue to engage with stakeholders in that conversation as it progresses and incorporate GHG offsets as part of our longer-term strategy once there is more certainty around the methodology and related accounting.

Path to Clean Operations-Driven Emission Reduction Goal Progress[1]

Thousand metric tons CO_2e



[1] All GHG emissions data, including the 2015 baseline, reflects Exelon's current corporate boundary after its separation from Constellation. Chart data is available in the Exelon Corporate GHG Inventory table in the Appendix.

[2] Market-based accounting.

[3] Includes Gas Plant Combustion.

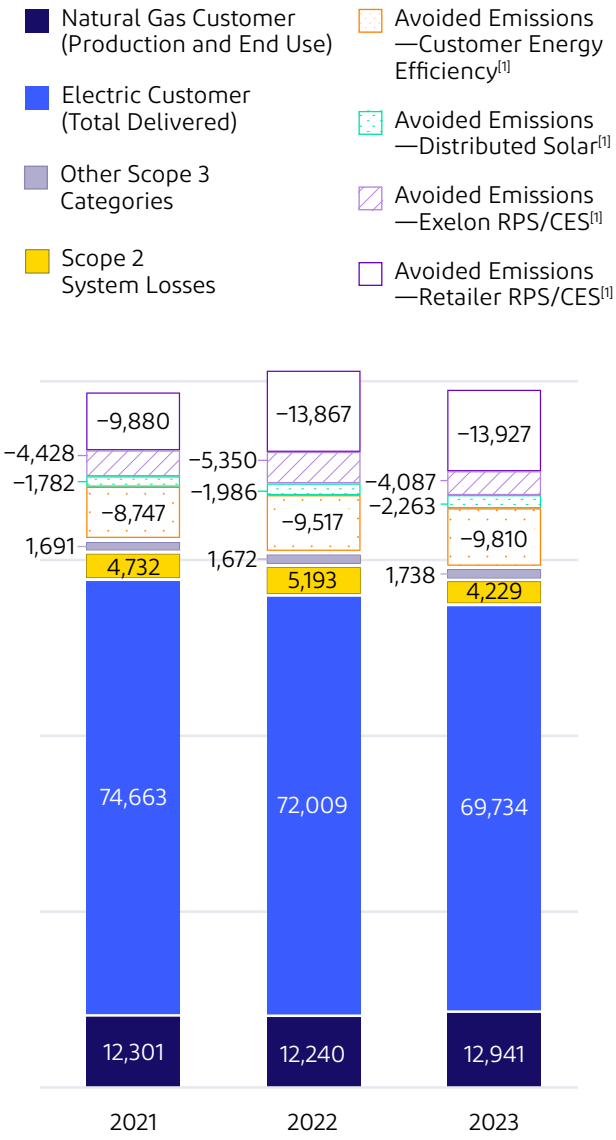
Path to Clean: Supporting Our Customers and Communities

The other portion of our Path to Clean program is a commitment to supporting our customers and communities in achieving their clean energy goals. The majority of our Scope 3 emissions come from the production and use of the energy we deliver to customers, which are the same emissions targeted by our communities' goals. Exelon supports customers' efforts to reduce energy usage through customer energy efficiency programs and connects customer-distributed energy through our Green Power Connect program. We also meet renewable portfolio compliance obligations for the electricity we purchase on behalf of customers and work with communities to support public policy that promotes the transition to cleaner energy. Without these programs, in 2023, our customer Scope 3 emissions would have been over 30 million metric tons higher, as reflected in the avoided emissions segments of the adjacent bar chart.

As detailed in the Appendix, different utility business models provide different levels of control over emissions associated with their customers' energy use. Utilities that are "vertically integrated" own the electric generation for the energy they deliver and have a greater ability to directly reduce emissions associated with that electric supply than delivery-only utilities like Exelon's. Under governing state laws, Exelon's regulated T&D utilities cannot own electricity generation for customer supply, and thus, we do not have direct control over how the electricity we deliver is generated. In establishing our quantitative operations-driven goal, we focused on emission reduction strategies within the business operations that we directly control. As we do not have control over how our customers use energy or the sources that produce it, we have not yet established a similar quantitative goal for our Scope 3 emissions. Similarly, for our distribution system uses and losses are driven mainly by customer load, weather and the grid emissions rate, we currently include these Scope 2 emissions with customer-driven emissions as well. And while we have not yet set a quantitative goal for our customer-driven emissions, we strive to help customers reduce energy consumption through our award-winning customer energy efficiency programs, and to reduce emissions from electric generation as well as through supply chain engagement and policy advocacy relating to lower-carbon grid supply.

Total Scope 3 GHG emissions comprise several upstream and downstream elements of our business operations. In line with World Resources Institute guidance, Exelon reports Scope 3 emissions across the 15 discrete categories for understanding (1) the most GHG-intensive elements of a business; and (2) where supply chain engagement may have the biggest impact concerning GHG emissions reductions. A breakdown of Exelon's Scope 3 emissions, available in the Appendix, confirms that emissions associated with the upstream production of the energy we deliver constitute the most significant emissions category for Exelon. The second highest category is downstream end-use combustion of natural gas after delivery to our customers. These two sources comprise 98 percent of Exelon's Scope 3 GHG emissions. Please see our Supply Chain section for additional actions related to our Purchased Goods and Services and Capital Goods categories, which comprise the third largest area of impact for upstream GHG emissions.

Exelon Customer-Driven Emissions



[1] Avoided emissions above are presented as negative numbers and depict what emissions would have been in the absence of Exelon customer programs and RPS/CES compliance in our jurisdictions.

Our Role in Supporting Grid Decarbonization

Exelon's efforts to support grid decarbonization are focused on influencing the actions of our customers and advocating for public policy. As discussed in Supporting a Clean Energy Policy Transformation, Exelon promotes public policies at both the national and state-levels in support of a clean energy transition that achieves affordable and reliable energy solutions for our customers and communities while simultaneously achieving levels of climate change mitigation and adaption sufficient to meet a 1.5°C pathway ambition.

As previously discussed, due to Exelon's T&D delivery-only business model, we can best drive toward emissions reduction in electric supply through advocacy for policies and market rules that either disincentivize GHG emissions at generation stations or incent low-carbon generation in a cost-effective manner. We are also exploring new technologies that can help to shift loads to when zero-carbon generation is available and minimize use at peak times when the highest emitting generation resources are required to run.

While we can only indirectly influence the technologies used to generate electricity, we do play a role in how and when electricity is used, and this can impact which types of electric generation plants are called on. In addition to the energy efficiency, demand management and distributed renewables programs previously discussed, we are investing in new technologies and services that can expand flexible and two-way flows on the electric grid to increase our influence in this area. Our efforts to convert customers to electric Smart Meters were a critical step and we are proud to report that 95.9 percent of customers now have this technology.

Another way we influence grid decarbonization is by administering state clean energy programs, such as through the fulfillment of state level Renewable and Clean Portfolio Standards (RPS/CES). These standards exist in different forms for all states where we deliver electricity, establishing an increasing target percent of renewable or zero-carbon electricity each year. In all cases except ComEd, Exelon's utilities make the decisions as to how we meet those obligations for the electricity we provide for our full-service customers, while competitive retailers make those decisions for the electricity they sell in the territory where Exelon delivers. In ComEd territory, ComEd settles the RPS and CES obligations for the entire load they deliver. Directly participating in these programs helps us to stay informed about the clean energy available and its pricing, which makes us more effective in our public advocacy. We also produce utility-specific residual emissions rates for our full-service customers, allowing them to access the benefits of the clean electric they are supporting through their regular rates as part of their GHG reporting. Please see the Supporting our Customers' GHG Accounting page in the Appendix for a complete list of utility-specific residual emission rates related to the full service load supported by Exelon's utilities.

Investment in Resilience

Exelon invested over $7.3 billion across our regulated utilities in 2023 and plans to invest about $34.5 billion from 2024 through 2027, which includes investments to improve the reliability and resilience of our physical energy delivery systems. Each of our utilities proactively prepares our employees and assets for a changing future. This includes training key personnel on potential climate change impacts and working to incorporate climatic projections into our engineering standards and existing system material condition assessments to improve infrastructure planning.

Our utilities also demonstrate the potential for connected communities within each of our service territories to identify how microgrids, distributed resources, and energy management tools can work together to support a clean energy future. Projects include applications like smart streetlights, resilience hubs at public housing sites, smart kiosks, EV smart chargers, smart sensors and access to community solar and EE programs. Exelon is developing the following new metrics to track progress relating to climate adaptation and resilience:

- **Asset Classes Reviewed:** (categories of equipment for which asset management plans are being developed): 30 percent of total.
- **Climate Change Awareness Training:** We are currently developing climate awareness training for all employees. We completed 30 discrete interviews with leaders throughout the organization in 2023 as part of this effort.
- **Community Pilots:** Microgrid/Smartgrid and Resilience Hubs for low-income communities are being developed within our jurisdictions.

Advancing Climate Technologies

In support of our own Net-Zero goal of operational emissions and as a key component of supporting our communities in achieving their clean energy goals, Exelon is working to advance new and emerging technologies needed to achieve these deep decarbonization ambitions. There currently are no affordable or commercially available solutions to eliminate emissions from certain parts of our GHG inventory. Therefore, we are actively supporting the development of new and emerging solutions that promise deeper emissions cuts while helping us adapt to changing conditions and prepare our business to thrive in a low-carbon future. Exelon is using the following new metrics to track progress relating to our efforts to advance new technologies around the transition to cleaner energy:

- **Climate Changes Investment Initiative (2c2i) Startups Focused on Climate Solutions:** 29
- **Partnership Research & Development Projects:** 35
- **Supplier Engagements on Climate Solutions:** Engaged 10 Tier 1 Suppliers across primary drivers of Scope 3 Purchased Goods and Services emissions in 2023, representing nine percent of Exelon's total spend

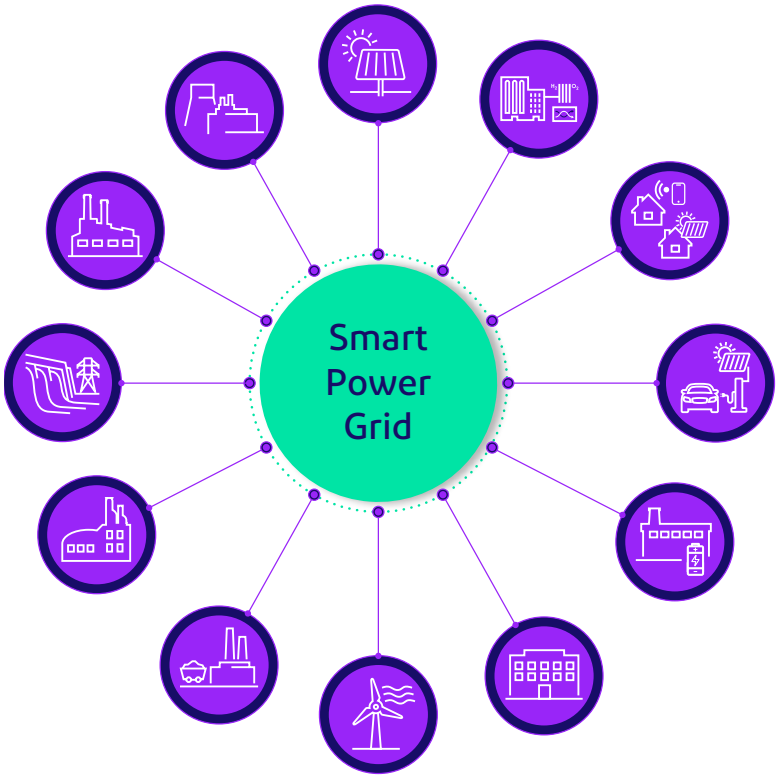
Advancing Clean Energy and Affordable Energy Choices

One of Exelon's top priorities is promoting a just and equitable energy transition. We continue to evaluate and investigate technologies and infrastructure that enable a smarter power grid where customers play an increasingly active role in driving cleaner sources of energy. Whether through beneficial electrification of homes and businesses through customer-sited solar or the adoption of electric vehicles, our utilities actively support our communities and jurisdictions through smart grid infrastructure.

The promise of an affordable and clean energy economy is important for all communities, especially those disproportionately impacted by underinvestment in economic opportunities, education and training and by environmental factors such as degraded local air quality and climate change impacts.

Creating a Smart Power Grid

A smart grid is a modern electrical system that uses automated technology, data collection and two-way communications to deliver energy more reliably and efficiently. In some cases, it provides data on hourly energy usage to support customer time-of-use programs and allows utilities to control and monitor the power system at a much more granular level than previously possible. By investing in a smarter grid, we enable an electric system that is reliable, resilient, responsive, efficient and secure. Our customers benefit through instant access to energy information, faster outage detection and response, enhanced reliability, greater energy efficiency (EE) and increased participation in the energy transition.



Smart Meters

Smart meters are foundational to a smarter power grid as they enable customers to better understand real-time energy usage in their homes and businesses, in addition to providing Exelon's utilities with enhanced information to make our systems more efficient and resilient. To date, Exelon has installed almost 9.2 million electric smart meters and almost 1.4 million advanced gas meters.

Smart meter technology provides many benefits for customer convenience and operational efficiency:

- Through continued use of smart meter disconnect switches and remote sensing capabilities, over 1.4 million truck trips were avoided in 2023.
- Our utilities offer innovative time-of-use demand response programs that are made possible by smart meter technology across Exelon's operating companies.
- Smart meter data enables customers to make informed decisions concerning their energy usage. For example, they can sign up to receive high-usage alerts and weekly usage reports.
- Customers with smart meters can view their daily and hourly usage data online and learn about ways to reduce energy consumption.
- An enhanced high temperature-monitoring program to promote the safety of meter entrance equipment for our customers and employees is made possible by smart electric meter data.
- Smart metering informs customers with outage restoration, interruption frequency and interruption duration metrics.
- Exelon continues to explore new uses for its communication systems, which are also utilized for automated meter reading.

Smart Electric and Natural Gas Meter Deployment Across Exelon Utilities as of Dec. 31, 2023[1][2][3][4]

Meter Deployment	BGE	ComEd	PECO	PHI	Total
Electric					
Smart Meters Installed (in thousands)	1,333	4,289	1,819	1,755	9,196
Total Electric Meters Installed (in thousands)	1,368	4,294	1,819	2,109	9,590
Percent of Total Meters	97.5%	99.9%	100.0%	83.2%	95.9%
Avoided Truck Trips Related to Service Connect/Disconnect Transactions (in thousands for 2023 only)	398	499	377	144	1,418
Natural Gas					
Smart Meters Installed (in thousands)	681	—	569	143	1,393
Total Gas Meters Installed (in thousands)	720	—	569	145	1,434
Percent of Total Meters	94.7%	—	100.0%	98.6%	97.2%

[1] Exelon utility companies, with the exception of ACE, have completed their planned major smart meter program deployments. ACE began deployment in September 2022 and will complete work in 2024.

[2] While each utility is close to 100 percent penetration for smart meters, with the exception of ACE, a variety of factors, such as hard to access meters or customer preference, may result in the utility not getting to 100 percent.

[3] Exelon utilities that provide both electric and gas service include BGE, PECO and DPL. ACE, ComEd and Pepco provide only electric service.

[4] Calculation for % of total meters may vary do to rounding conventions.

Green Power Connection

Exelon's utilities have worked over the last several years to develop similar approaches and platforms that enable customers and contractors to deploy residential and commercial renewable energy, primarily solar photovoltaics. Each utility maintains a Green Power Connection (GPC) website to assist customers from start to finish on their renewable energy projects. Digital Solar Toolkits, a flagship resource of our Green Power Connection programs, offer solar calculators to help customers evaluate their options as well as other useful tools and tips. For customers installing solar, the toolkits help them select qualified contractors, monitor project progress, track energy usage and calculate savings. For more information on each utility's Green Power Connection program, please visit ACE, BGE, ComEd, DPL, PECO and Pepco.

Through net metering, utilities purchase the excess electricity produced from residential and commercial customers' renewable energy equipment. At year-end 2023, Exelon utilities had 237,000 customers with 3,515 megawatts (MW) of renewable energy resources installed (primarily solar, with a limited amount of wind and other resources). Our utilities also managed a number of community solar programs to link customers with solar projects owned and operated by community solar developers (and not Exelon utilities). Community options expand access to solar power for renters, those with shaded roofs or properties, and those who choose not to install a system at their home or business for financial or other reasons. Typically, community solar subscribers pay a monthly subscription to participate in community solar projects and receive credits on their bill for solar energy generated by the project.

As we integrate additional customer renewable energy into our distribution systems, both Exelon and broader society benefit from the reduction in Scope 2 and Scope 3 greenhouse gas (GHG) emissions. Scope 2 GHG emissions decrease as power line losses related to long-distance transmission and distribution of electricity are reduced. Scope 3 emissions associated with the upstream production of electricity are eliminated by using local renewable energy. In 2023, we estimate local renewable energy produced by customers and enabled by Exelon's GPC program avoided almost 2.3 million tons of GHG emissions.

Customers Connected to Renewable Resources at Exelon Utilities

Utility	Participating Customers (thousands)[1]	Subscribing Community Solar Customers (thousands)[2]	Renewable Generation Capacity (in MW)[3]
2021			
BGE	37.6	—	400
ComEd	29.1	18.3	636
PECO	13.0	—	138
PHI	93.6	10.3	1,486
Total	173.3	28.6	2,660
2022			
BGE	40.8	9.5	465
ComEd	39.6	21.3	769
PECO	15.4	—	160
PHI	104.3	11.6	1,695
Total	200.1	42.4	3,089
2023			
BGE	46.8	12.4	574
ComEd	54.5	24.1	920
PECO	19.3	—	187
PHI	116.4	15.8	1,834
Total	237.0	52.3	3,515

[1] Number of customers participating in Green Power Connection programs at each utility excluding community solar subscribers.

[2] Number of unique subscribers participating in Community Solar programs managed by Exelon, BGE, ComEd, PECO and PHI.

[3] Amount of renewable energy generating capacity represented by this customer demand, in MW of installed capacity.

Green Power Connection Goal

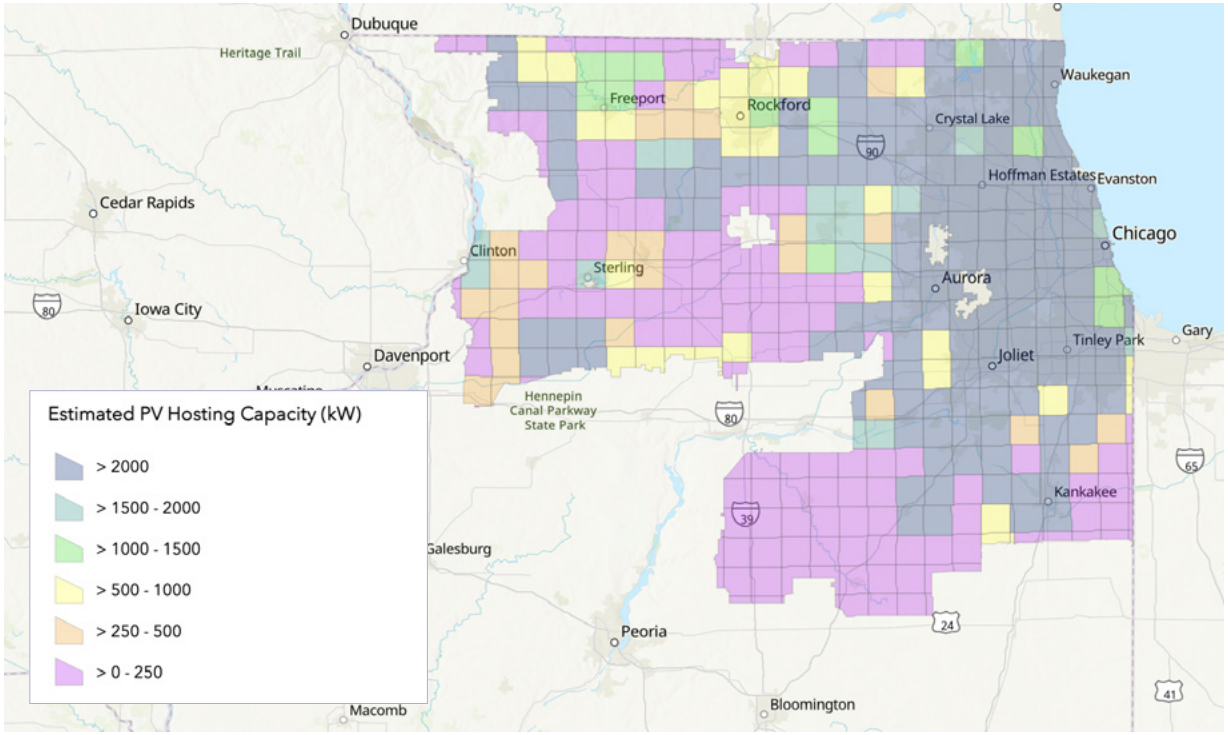
Exelon utilities will maintain online maps to assist customers to understand distribution feeder capacity to accept new distributed energy resources, such as residential and commercial solar.

2023 Status

BGE, ComEd, PECO and PHI have published Hosting Capacity Maps, Regional Capacity Planning Maps and/or distributed energy resources (DER) Interconnection Viability Maps.

2024 Goal

Maintain and enhance online map resources to support customer integration of renewable energy resources into our distribution systems.



An important component of the energy transition is customer-based local renewable energy installations, primarily solar photovoltaic integrated into our utility distribution systems. We continue to provide public education around opportunities to take advantage of this option. We provide distribution system restricted circuit and/or hosting capacity maps to build awareness about locations on our systems with sufficient capacity for more renewable energy. Going forward, we will refine these tools to provide even more useful information to our customers, including augmenting distribution map resources with information on electric vehicle (EV) charging (which ComEd has just published) and battery storage.

Online Map Resources available to support renewable energy integration opportunities at Exelon's utilities:

- **BGE:** Restricted Circuits Map
- **ComEd:** Hosting Capacity
- **PECO:** DER Interconnection Viability
- **PHI:** Distribution Feeder Hosting Capacity and Regional Capacity Planning

Meeting State Renewable and Alternative Energy Requirements

Exelon utilities use renewable and alternative energy credits to meet state legislative requirements. All of our 9.2 million electric utility customers are located within jurisdictions that have some form of renewable or alternative energy portfolio requirements.

BGE

Approximately 4.4 million renewable energy credits (RECs) were needed to satisfy Maryland's Renewable Portfolio Standard (RPS) requirements at BGE for 2023, for default Standard Offer Service (SOS) and large Hourly Priced Service (HPS) customers. BGE purchased RECs for HPS customers and incremental SOS load, while REC requirements for residential and small and medium commercial SOS customers were met through wholesale energy suppliers under full requirements contracts approved by the Public Service Commission. In June 2021, new legislation passed resulting in a 34.4 percent REC requirement for the 2023 compliance year.

ComEd

During the 2022–2023 delivery year, ComEd received and retired approximately 4.2 million RECs from wind and solar renewable energy resources to be counted toward the Illinois RPS requirement. To meet the Illinois renewable energy goals, ComEd continues to contract for the annual procurement of RECs from projects through the Adjustable Block Program, Illinois Solar for All Program and Index REC procurements in accordance with the Illinois Power Agency's (IPA) current Long Term Renewable Resources Procurement Plan approved by the Illinois Commerce Commission. As of the procurement year ending May 31, 2023, ComEd had contracts for the annual delivery of 7.2 million RECs, or approximately 9 percent of load. For the 12-month delivery year beginning June 1, 2022, the Illinois RPS goal for ComEd was 20.5 percent of total retail electricity sales. By the 2030–2031 delivery year the Illinois RPS goal for ComEd is 40 percent, with a further goal to reach 50 percent by the 2040–2041 delivery year. To meet the annually increasing Illinois RPS goals, ComEd needs to see an increase in utility-scale renewable projects participating in procurements conducted by the IPA. Without significant increase in deliveries of RECs from utility scale projects, ComEd will continue to fall further behind in meeting the statutory goals.

Under the Illinois Zero Emission Standard, ComEd received and retired 14.7 million Zero Emission Credits (ZECs) from generation occurring during the 2022–2023 delivery year. In accordance with Illinois Public Act 102-0662, in late 2021, ComEd executed contracts to purchase Carbon Mitigation Credits (CMCs) from nuclear generating facilities for generation occurring between June 2022 and May 2027. ComEd received and retired 54.7 million CMCs generated during the 2022–2023 delivery year.

PECO

Over the PJM reporting year (June 2022 to May 2023), PECO retired for compliance nearly 2.6 million alternative energy credits (AECs) to satisfy Pennsylvania's Alternative Energy Portfolio Standards' (AEPS) 18.3 percent requirement. PECO continues to retire AECs that meet the requirements of Pennsylvania Act 40 and Pennsylvania Act 114, both of which require AECs to be sourced from within the state. In addition, in 2021 and 2022, PECO conducted procurements for delivery of 16,000 solar AECs annually for 10-year terms. To help support local solar, PECO has required that 50 percent of the 16,000 AECs delivered be sourced from within the PECO service territory. PECO will use these credits to support AEPS compliance.

PHI

In the Maryland jurisdiction, Pepco and Delmarva retired for compliance approximately 2.6 million RECs. In D.C., Pepco retired approximately 1.2 million RECs. Over the PJM reporting year, ACE and DPL Delaware retired approximately 1.3 million and 0.6 million RECs respectively. DPL purchases the RPS requirement for all its distribution customers in Delaware. In the other jurisdictions, SOS suppliers purchase RECs to meet state RPS requirements, with the exception of hourly or market price service customers in D.C., Maryland and Delaware. In total, PHI utilities retired approximately 5.7 million RECs to meet RPS obligations in 2023.

Beneficial Electrification and Enabling Electric Vehicles

As U.S. states and companies make commitments to cleaner, renewable generation sources, the electrification of transportation and other end uses becomes a key lever for decarbonization. Beneficial electrification is a subset of broader electrification opportunities that meet one or more of the following conditions without adversely affecting the other two: enable better grid management; reduce negative environmental and health impacts; or save customers money over the long run.

Exelon has developed a strategy aimed at overcoming barriers to beneficial electrification by advocating for public policies, partnering with organizations in support of electrification, enabling technology, investing in infrastructure and supporting customer education and adoption.

To promote the use of EVs and other types of beneficial electrification, Exelon focuses on:

- Infrastructure investments that save customers money and provide access for low- and moderate-income communities
- Load management through program and rate design to encourage use of electricity during times of excess capacity
- Technology to leverage data for load management initiatives that support growth while offering savings to customers such as time-of-use programs and innovative service offerings based on telematics data from EVs
- Support for policies across our jurisdiction that help customers save money, remove barriers for adoption and accelerate GHG emission reductions in our communities
- Partnerships with customers and helping communities with equitable solutions, such as deployment of electric school buses and public chargers

Benefits of Electrification

Customers

Save customers money over the long run

- Economic
- Efficiency
- Sustainability

Society

Reduce negative environmental impacts

- Environmental
- Public Health
- Equity
- Workforce Development

Exelon

Enable better grid management

- Modernized Grid
- Strategic Alignment
- Growth Opportunities

Exelon Fleet Electrification Goal

Exelon's fleet electrification goal in support of our Path to Clean program aims for each utility to electrify 30 percent of their vehicle fleet by 2025, increasing to 50 percent by 2030. This transformation will be achieved through a combination of fully electric vehicles, plug-in hybrids and vehicles with plug-in idle mitigation units. Exelon currently has approximately 8,000 total fleet vehicles, of which 50 percent are Light-Duty, 30 percent are Medium-Duty and 20 percent are Heavy-Duty. As of December 2023, 17 percent of the Exelon fleet have been electrified (~1,300 vehicles). The 2024 plan adds ~500 electric vehicles and expected 23 percent electrified.

Exelon has deployed a strategic approach coupled with a well-defined governance structure for our internal fleet electrification program. Our Fleet Electrification transformation includes multiple workstreams focused on procurement, infrastructure build, policy development, change management, benefits tracking, maintenance, customer education and program optimization. Our progress is driven by oversight by an Executive Steering Committee, multi-year project planning, dashboard reporting and continuous leveraging of our supply organization and industry coalition-building. Intermediate health checks are performed on the program to uncover recommendations for improvement and prioritization.

Exelon's utilities will meet fleet electrification targets cost-effectively by replacing end-of-life combustion vehicles with plug-in hybrid and fully electric vehicles, where possible. By 2025, all end of life Light-Duty vehicles (LDVs) will be replaced by an EV, with all LDVs electrified by 2030. Exelon's utilities will employ idle mitigation units to partially electrify Medium-Duty and Heavy-Duty vehicles where fully electric commercial options are still under development and limited. A bucket truck equipped with this technology will be able to shut off its diesel engine to use the plug-in battery to power equipment for aerial work, lighting, air conditioning and heating. This will significantly reduce park idling, which typically represents 65 percent of the operating hours for bucket trucks.

EV Education and Resources

Our utilities offer a range of resources to inform and empower customers about adopting EVs since customer education, tools and resources play a critical role in facilitating widespread EV adoption. BGE's EVsmart® Program, ComEd's Residential and Commercial EV toolkits, PECO's EVsmart® Program, Pepco MD's and D.C.'s EVsmart® Programs and ACE's EVsmart Program provide toolkits that increase customer awareness of EV benefits and facts, helping customers evaluate their potential fuel cost savings, review the latest EV brands, models and charger options and search for public charging stations. These tools are essential in simplifying the EV ownership experience by providing real-time information, promoting energy efficiency and contributing to grid optimization.

Exelon's EV toolkits also drive progress towards jurisdictional 2040 and 2050 net-zero goals. Our comprehensive programs and partnerships accelerate investment in charging infrastructure and aid businesses to embrace cleaner and more energy-efficient transportation solutions. Our utility EV Readiness initiatives assists local governments to develop policies and programs to integrate EVs and charging infrastructure within their communities. Through partnerships in our jurisdictions, Exelon also enables the commercial sector to contribute to emission education, air quality enhancements and development of a robust EV charger infrastructure that supports the broader goals of electrification. Each utility continues to broaden its education and awareness efforts for both residential and commercial customers. For example, ComEd launched its new EV Load Capacity Map Tool that allows commercial customers to identify potential sites for fleet electrification, workplace charging and public charging applications. At the end of 2023, it is estimated that there were almost 263,000 plug-in electric vehicles (PEVs) on the road in Exelon service areas. PEVs comprise battery electric vehicles (BEVs) or plug-in hybrid vehicles.

EV Program Links

- **ACE:** Atlantic City Electric—An Exelon Company
- **BGE:** Baltimore Gas and Electric Company (bge.com)
- **ComEd:** ComEd—An Exelon Company
- **PECO:** PECO—An Exelon Company
- **Pepco MD:** Pepco—An Exelon Company
- **Pepco D.C.:** Pepco—An Exelon Company

Personal EV Charging

Personal EV charging has become a pivotal aspect of the evolving EV landscape, empowering individuals to conveniently charge their EVs at home. Our utilities actively encourage customers through incentives and rebates to upgrade their home charging infrastructure from common basic Level 1 (120V) chargers to more advanced Level 2 (240V) chargers. These upgrades support significantly faster charging times and offer the ability to control and schedule optimal charging schedules during off-peak hours, ultimately saving customers time and money on their monthly electric bill.

Exelon Employee EV Incentive Program

Exelon helps employees participate in a cleaner future by incentivizing them to purchase or lease a fully electric vehicle for their personal use. In response to employee feedback, Exelon launched the "Drive Exelon" incentive program in December 2023. The program is expected to run for three years and will include up to 500 BEV incentives each program year, to be awarded on a first-come-first-served basis for both new and used BEV purchases.

> At the end of 2023, it is estimated that there were almost 263,000 plug-in electric vehicles in Exelon service areas.

Electric School Bus White Paper

Exelon collaborated with CALSTART, Electric Power Research Institute (EPRI), Clean Energy Works, World Resources Institute (WRI) and Edison Electric Institute (EEI) to develop a white paper examining how the electric school bus transition can deliver a wide range of environmental justice, health and other benefits to customers, communities and the electric grid. The report, The Electric School Bus Transition: Accelerating Equitable Deployment Through Understanding Grid Impacts and Policy Solutions, is designed to serve as a resource for elected officials, school administrators and community members seeking to bring electric school buses (ESBs) to their communities. The report found that public policy initiatives, such as the Infrastructure Investment and Jobs Act (IIJA), IRA and the Environmental Protection Agency's (EPA's) Clean School Bus Program, play pivotal roles in incentivizing the replacement of traditional diesel school buses with ESBs. By shifting all U.S. diesel buses to ESBs, it is estimated that approximately nine million metric tons of GHG emissions per year can be avoided, equal to removing two million cars from the road. Extended tax credits offer additional financial backing, providing a comprehensive framework for school bus operators to embrace sustainable alternatives by ensuring equitable distribution of benefits without imposing undue burdens on underserved communities. In 2023, more than 30 school districts across Exelon's territories were awarded $190 million in funding to electrify over 500 buses through the EPA's Clean School Bus Program. A subset of the $5 billion over a five-year period budgeted for the program is granted through the IIJA. This program will accelerate the replacement of diesel school buses with zero-to-low-emission models, a substantial initiative that strongly aligns with Exelon's broader efforts to transform the energy grid.

Key observations and considerations identified in the report:

Observations	Considerations
IIJA and IRA have created a once-in-a-lifetime opportunity to electrify school buses	Federal funding alone is not enough to fully electrify all school bus fleets in the U.S., creating the need for additional programs and support.
Electric school buses deliver a wide range of benefits to society at large	Resulting public health, environmental, economic and utility grid benefits must be distributed equitably with a priority focus on under resourced communities.
Electrification of the national school bus fleet can power equity	Implementing a well-defined equity framework increases the likelihood of programs being responsive to community needs, empower communities and that benefits are equitably distributed.
Ability of utility grid to support school bus electrification will vary by location	Grid investments will need to be sequenced to keep pace with federal funding opportunities.
Transition to electrify school buses can often be complex and present challenges, particularly in under resourced communities	Utilities can play a central role to facilitate and accelerate the transition through a wide variety of programs and services.
Barriers to achieving school bus electrification at scale continue to exist	Complementary and supportive policies and regulatory programs are needed to reduce barriers and accelerate the transition at scale and deliver resulting benefits.

Energy Affordability

Exelon is focused on balancing customer interests in clean, reliable and affordable energy with the impact on the cost of that energy. This section provides an overview of the major components of customer bills and how Exelon bills and rates compare to city and national averages, including programs to help customers maintain affordable energy.

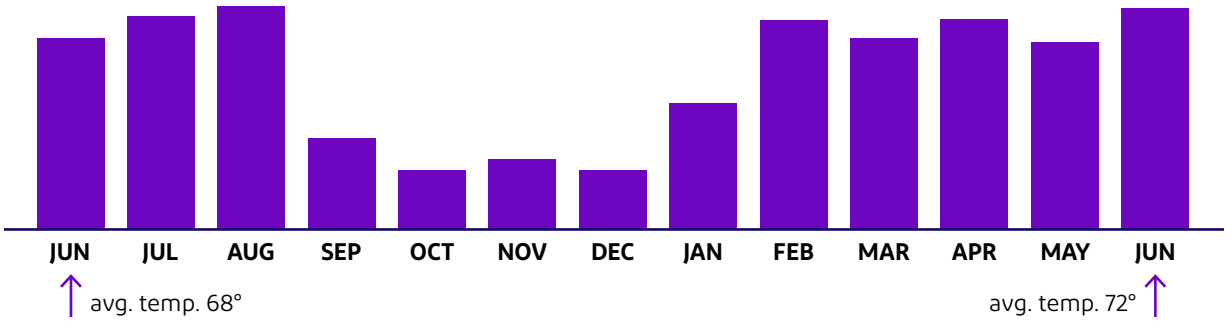
Understanding Customer Energy Bills

A typical customer energy bill for electric or gas is the product of the rate and the customer's energy usage. Assessing energy affordability requires an understanding of how both rates and usage affect customers' energy costs. Energy usage is driven by weather patterns, customer consumption behaviors, housing types and efficiencies, appliance efficiencies and adoption of new technologies such as DER.

Rates are tied to the cost of service and can be broken down into three main components: energy supply, energy delivery and other riders, taxes and fees. On average across Exelon, energy delivery makes up half of the total rate, while energy supply and other charges—which are both primarily driven by factors external to Exelon—comprise the other half. Exelon's utilities operate in competitive markets that offer customers the option to select their supplier of choice for the energy supply portion of their service ("retail choice"). Retail choice for electric supply is available in each of our utility territories; retail choice for gas supply is offered in all territories except Delaware.

Electric Details[1][2]

Annual Electric Usage

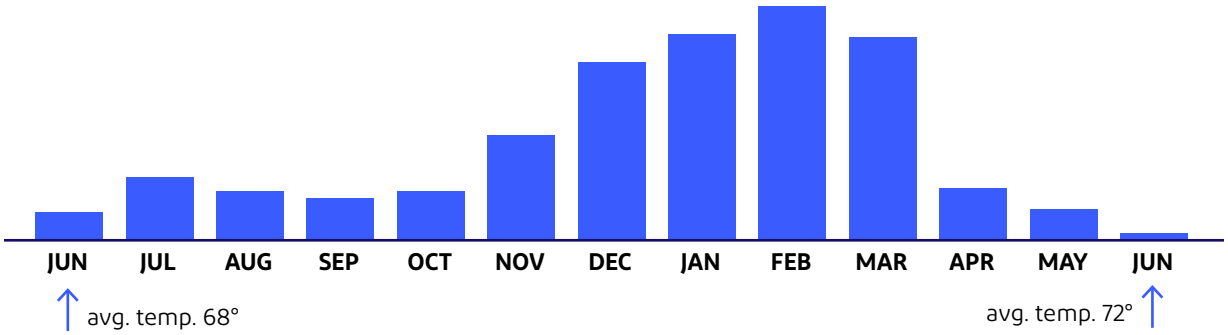


[1] Typical residential electricity usage tends to be highest during the summer months due primarily to air conditioning demand.

[2] As part of Exelon's climate scenario analysis work, we evaluate how long-term customer load patterns may shift during the energy transition due to both electrification and changing weather patterns.

Gas Details[3]

Annual Gas Usage



[3] Natural gas usage peaks with the winter heating season.

Electric Delivery: The cost related to the transmission and distribution (T&D) of electricity to customers. These include capital investments and operation costs related to the reliable and resilient operation of the grid and modernizing energy delivery systems to accommodate new technologies that advance electrification of the system and reduce GHG emissions, such as DER and EVs.

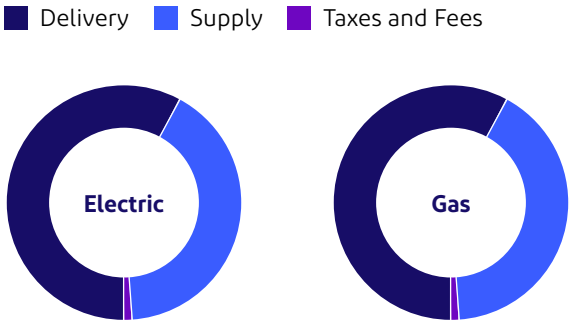
Electric Supply: The cost related to the acquisition of electricity, generally through wholesale markets. The procurement process is closely regulated by state authorities. The electric supply portion of a customer's bill represents a pass-through cost that is subject to market forces such as upstream fuel costs, generation availability and mix and energy transition drivers.

Other Riders, Taxes and Fees: The cost related to funding for specific programs such as state mandated targets and EE goals as well as taxes and other surcharges.

Gas Delivery: The cost related to the delivery of gas to customers in a safe and reliable manner. These include capital and operational costs such as pipeline replacements to enhance safety and reduce leaks, upgrades to physical and cybersecurity protections, new technology pilot programs and decarbonization investments to ready the gas system for a low-carbon future.

Gas Supply: The cost related to the purchase of natural gas for customers. Gas procurement occurs through state-regulated programs. This is a pass-through cost that is subject to market changes including short-term factors influencing gas supply such as country-wide production capacities and LNG exports, macroeconomic conditions and energy transition drivers.

Illustrative Electric and Gas Bill Breakdown



Customer Affordability Perspectives

Customer affordability and cost management remain key priorities for Exelon as we seek to support balance between affordability and growing interests in additional investment to support grid resilience, modernization and electrification. Our utilities offer multiple programs and incentives focused on energy usage in areas such as EE, renewable energy adoption through programs such as Green Power Connection and time-of-use and peak demand management to help customers manage their energy usage.

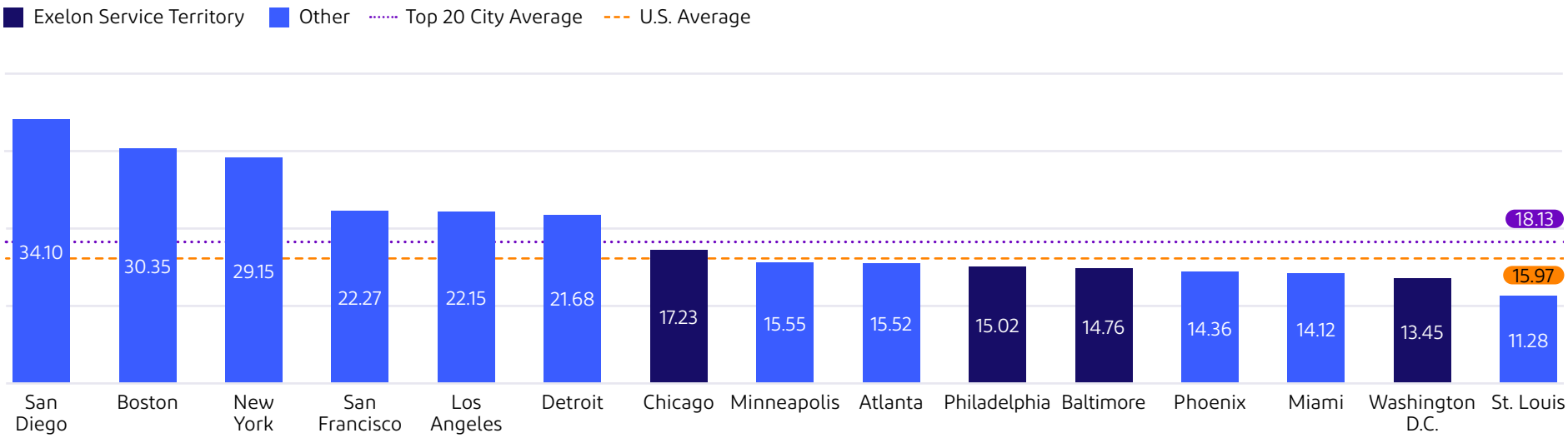
The U.S. Department of Energy's (DOE) energy burden calculation can be a useful approach to understand affordability from our customers' point of view. DOE defines energy burden as the percentage of gross household income spent on energy cost. Showing a similar approach here focused on electric costs, Exelon customers spend a much smaller share of their household income on electricity bills when compared with the national average.

Customer Affordability

[1] Median income by territory metro areas (MSAs or CBSAs from U.S. Census Bureau 2022 ACS one-year Estimates).

[2] Average customer electric bills are determined using 2022 EIA Residential Electric Revenue and Customer data by provider for Full-Service Providers.

Exelon's Electric Rates 17% Below Largest U.S. Metro Cities[1]

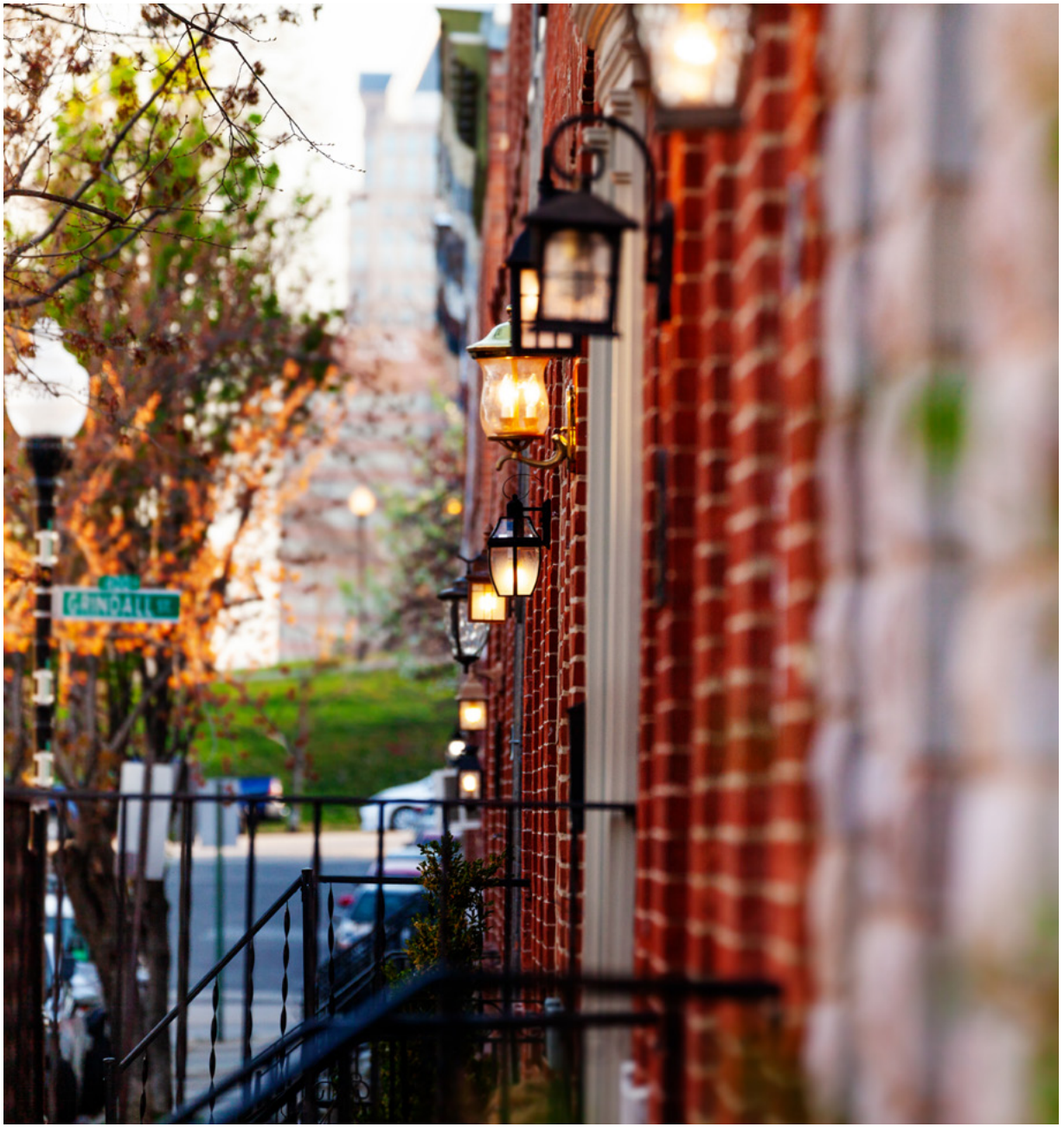


[1] Source: Edison Electric Institute Typical Bills and Average Rates report for Summer 2023; reflects residential average rates for the 12-month period ending 6/30/2023. Los Angeles and Boston residential average rate data for the 12-month period ending 6/30/2023 sourced from Energy Information Administration (EIA-861M). High-population cities that do not provide data (e.g., Houston) are excluded from the analysis. The chart reflects a sample of the top 15 cities for illustrative purposes.

Understanding Disadvantaged Communities Served by Exelon

The Biden administration established the Justice40 Initiative with the goal that 40 percent of the benefit of certain federal investments should flow to disadvantaged communities (DACs). Criteria were established to identify communities that are considered marginalized, underserved and overburdened by pollution. To be considered a DAC, a census tract must rank in the 80th percentile of the cumulative sum of the 36 burden indicators and have at least 30 percent of households classified as low-income. The burden indicators can be grouped across four categories: fossil dependence, energy burden, environmental and climate hazards and socio-economic vulnerabilities.

Exelon is focused on identifying opportunities to support DACs now and through the transition. Our focus includes working with stakeholders to seek positive outcomes for communities through transition-driven changes, including energy access and affordability, environmental justice, investment and growth, energy efficiency and innovation, inclusion and representation, education and empowerment and partnerships and collaboration. This work also enabled us to think about our applications for IIJA funding to support investment in our service areas and is useful as we think about ways to support our jurisdictions as they develop policies to address DAC areas.

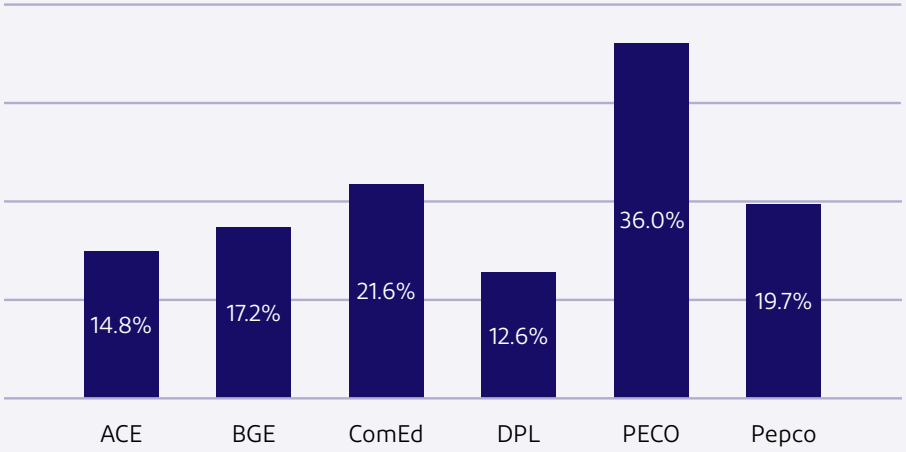


Exelon Territory DAC Footprint

During 2023, we took a fresh look at DACs in our service areas utilizing geographic information systems mapping tools and census data to better understand the profiles and locations of the DACs that we serve. Census tracts are small, relatively permanent statistical subdivisions of a county used to characterize a community and its constituents. Based upon our work, we found that:

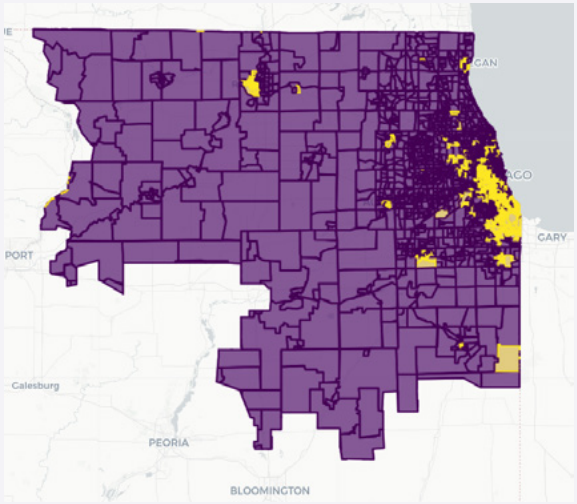
- 22 percent of Exelon's service area census tracts meet the definition for a DAC.
- An estimated 2.3 million Exelon customers live in a DAC.
- While most DACs are in or near urban areas, Exelon also serves many rural communities that qualify for DAC status.

Estimated Proportion of Population Across Exelon's Territories That Fall Within a DAC Community



The below maps depict DAC communities in Exelon's service areas:

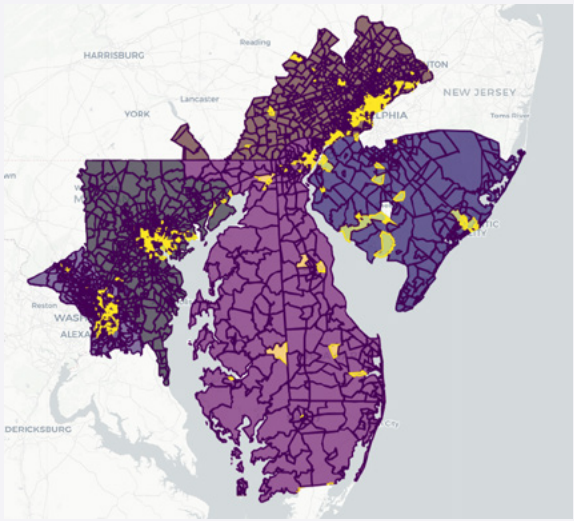
ComED Territory



DAC Designated Census Tract

Other Census Tracts in Utility Territory

BGE, PECO and PHI Utilities Territories



DAC Designated Census Tract

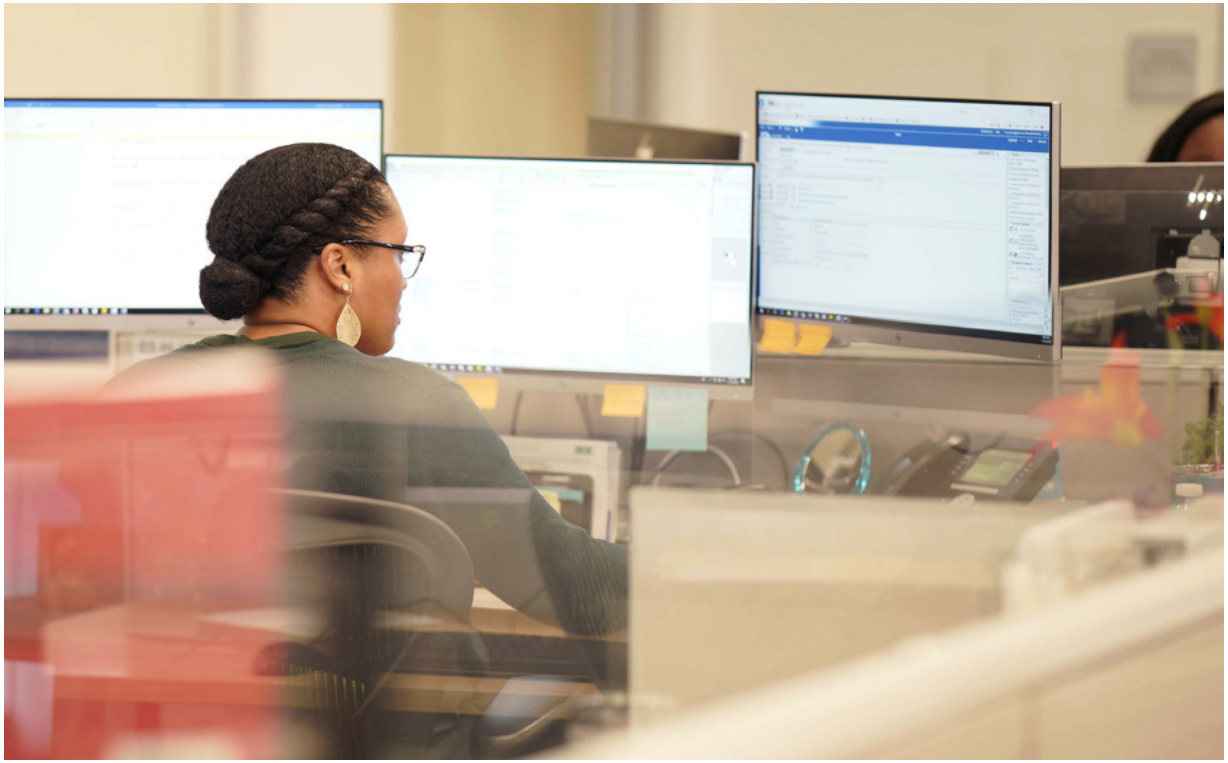
Other Census Tracts in Utility Territory

Assistance to Low- and Moderate-Income Households

All of Exelon's utilities have programs in place to provide financial assistance to low- and moderate-income (LMI) households, making energy more affordable in our service areas. Some programs are unique to each utility based upon state requirements while others, such as the federal Low-Income Home Energy Assistance Program (LIHEAP), are deployed across Exelon's utilities. LIHEAP is a federally-funded program aimed at assisting low-income households to meet their energy needs.

BGE

In 2023, BGE worked with state, local and nonprofit assistance partners to help more than 53,000 limited-income households obtain $104 million in bill payment assistance from federal and state grant programs. Through BGE's partnership with the Fuel Fund of Maryland, a nonprofit organization providing energy assistance to customers with financial need, BGE customers provided more than $3.1 million in matching credits to leverage an additional $6 million in grants and payments for nearly 4,900 Maryland households. BGE supported several initiatives to help customers navigate their energy assistance options, including the online Assistance Finder tool and a program that allows BGE customer service representatives to create and submit state assistance applications for customers. This tool helped over 6,000 customers obtain more than $14 million in grants in 2023. BGE also worked with the state assistance agency to help support the launch of Categorical Eligibility, a new policy that streamlines utility assistance for customers already approved for one of several other state benefits, such as food and cash assistance. BGE was honored in March 2024 by the EEI with an Excellence in Advocacy award for its efforts on behalf of limited-income customers in 2023. BGE continues to pursue a cross-functional Limited Income Project Team that has begun to implement initiatives in six key areas: Regulatory & Agency Partnerships, Assistance through Technology, Connected Communities, EE, Community Partnerships and Infrastructure Initiatives. For more information on BGE's assistance programs, visit the BGE website.



ComEd

ComEd continues to partner with state and community partners to connect over 198,000 limited income customers with almost $93 million from various financial assistance programs. In 2023, ComEd expanded their "Give A Ray" program which allows limited income customers to participate in community solar projects without subscription fees so they can receive monthly bill credits for up to 3 years. ComEd's Community Energy Assistance Ambassador program also expanded to serve Chicago, IL and Rockford, IL by providing jobs to residents of the limited income communities as part of a grass-roots education and outreach effort and streamlining assistance enrollments for customers in need. In 2023, ComEd also launched a dynamic suite of new assistance programs including:

- **Fresh Start Services**—Tailored advisement on energy management tools, financial assistance programs, payment arrangement options and energy efficiency offerings based on customers' needs (spoken and unspoken).

- **Catch Up & Save**—Supplemental Arrearage Reduction Program (SARP) benefits braided with EE products to provide customers with access to stackable benefits. Eligible SARP customers may receive a free EE kit delivered to their home with products that provide annual energy saving.

- **Your Neighbor Fund**—ComEd partnered with a trusted community partner, Neighborhood Housing Services of Chicago, to donate funds from ComEd employees to provide customers access to ComEd financial assistance along with other social services.

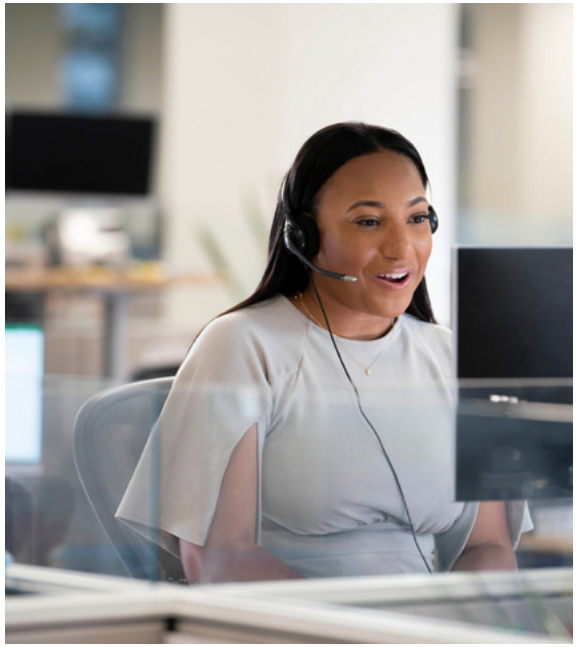
- **Credit Empowerment**—Personalized and unlimited 1x1 credit and financial counseling and workshops to increase credit and financial literacy and to help manage energy burden and life expenses.

- **Bill Payment Assistance**—ComEd partnered with Neighborhood Housing Services of Chicago to administer ComEd shareholder-funded financial assistance to customers who earn up to 80 percent of the area median income. Through the program, approved customer applicants received a grant of $150 if they did not have a past due balance and up to $500 based on their arrearage.

Customers looking for the latest available financial assistance programs, energy efficiency offerings or payment assistance options can access ComEd's Smart Assistance Manager to receive personalized recommendations based on their reported information and account data. Customers can explore programs without having to contact customer service and be guided through the application process. For more information on financial assistance programs for ComEd customers, visit the ComEd website.

PECO

PECO's LMI program portfolio has the highest customer assistance program participation in Pennsylvania and includes the Customer Assistance Program (CAP), in which approximately 125,000 customers enrolled in 2023. CAP provides an affordable, fixed monthly PECO bill payment based on a percentage of the customer's total household income. CAP also provides an opportunity for customers to have their total arrearage at the time of their initial enrollment forgiven. PECO's hardship program, the Matching Energy Assistance Fund, provides grants for low-income customers whose service is terminated or at risk of termination. The Low-Income Usage Reduction Program provides energy audits, usage reduction remediation measures and energy efficiency education for low-income high-usage customers. PECO also has a Customer Assistance Referral and Evaluation Services program, which provides one-on-one support for low-income customers with special needs or extenuating circumstances. The total value of PECO's LMI assistance program portfolio is more than $100 million annually. For more information on PECO's low-income programs, please visit the PECO website.



PHI

PHI offers a variety of programs across their utilities to assist customers who have difficulty paying their energy bills. In 2023, 53,000 PHI customers received LIHEAP assistance. COVID programs wrapped up their work with $8.0 million in funds posted to customer accounts in 2023. PHI continued to drive awareness of energy assistance throughout the year. In collaboration with community partners, PHI held virtual summits in each of our operating companies to share important program and policy updates. In-person outreach events were also held in service territories where customers could bring their paperwork and leave enrolled in energy assistance programs. Marketing strategies were deployed across all brands which included email campaigns, postcard mailings, digital ads, social media and fact sheet distribution at food distribution and faith-based sites.

ACE

In 2023, the New Jersey Board of Public Utilities permanently modified the Universal Service Fund (USF) program and its related arrearage forgiveness segment, making income eligibility on par with that of LIHEAP. Customers may be eligible to receive LIHEAP assistance and help through the USF. Additionally, customers received $6.7 million in American Rescue Plan funds in 2023. The Payment Assistance for Gas and Electric program is also available for LIHEAP and USF customers while New Jersey SHARES programs are available for moderate-income families. The Lifeline Program aids seniors and the disabled who meet eligibility requirements for the Pharmaceutical Assistance to the Aged and Disabled or who receive Supplemental Security Income. ACE customers can access information regarding energy assistance programs on the ACE website.

DPL

Customers may apply for LIHEAP assistance, known as the Maryland Energy Assistance Program (MEAP) in Maryland and Delaware Energy Assistance Program in Delaware. Maryland customers may also qualify for the Electric Universal Service Program (EUSP), which assists specific to a customer's electric bill, the Utility Service Protection Program (USPP), which protects customers from disconnection during the heating season, and Arrearage Retirement Assistance, which assists low-income customers with electric balances over $300 by providing benefits up to $2,000. Customers within Delaware and Maryland who are income-eligible and have disconnection notices may also be eligible for the Good Neighbor Energy Fund. Delaware customers benefited from $1.2 million in COVID funding in 2023. Delaware customers may also seek help from the Utilities Fund, which benefits income-qualified customers facing disconnection. DPL customers can access information regarding energy assistance programs on the DPL website.

Pepco

Customers may apply for the MEAP or D.C.'s LIHEAP program. D.C. customers can also apply for the Residential Aid Discount Program, which provides eligible customers with the Residential Aid Credit, a monthly credit toward various bill line items equaling roughly 25 percent of their bill. Pepco administers an Arrearage Management Program for qualifying D.C. customers. The program provides arrearage forgiveness of up to $3,600 for qualifying customers with arrearages greater than $300. Pepco Maryland customers may also apply for the EUSP, USPP and Arrearage Retirement Assistance programs referenced previously. Pepco customers can access information regarding energy assistance programs on the Pepco website.

Delivering a Top-Tier Customer Experience

Each of Exelon's utilities delivers top-tier experiences for customers by managing reliable energy delivery systems, offering innovative programs and providing access to technology solutions. By providing innovative tools that monitor and reduce energy use, environmental impacts and customer costs, Exelon and its companies continue to identify ways to harness the power of technology and data to better understand and meet the needs of our customers as we pursue an equitable energy future.

Hourly Pricing and Smart Usage Rewards

Energy Efficiency Programs

Customer Satisfaction

Hourly Pricing and Smart Usage Rewards

Exelon offers hourly pricing, remote management of residential air conditioning and water heaters, and smart usage rewards which helps customers manage their costs and reduce energy loads during peak times.

With the use of smart thermostats and Smart Meters, customers receive lower utility bills since this technology creates curtailment credits during peak demand cycles and allows for increased usage during off-peak times when costs are lower. Additionally, Exelon provides behavioral programs that alert customers to atypical and excessive use. This smart usage program reminds customers to be aware of energy usage and how it effects grid resiliency, and to take advantage of the available peak demand programs.

Several of our service territories provide commercial and industrial peak demand programs to help these customer groups take advantage of off-peak pricing when a customer can modify their business cycles to avoid peak demand times.

> With the use of smart thermostats and Smart Meters, customers receive lower utility bills.

Energy Efficiency Programs

Through a combination of new and existing investments, Exelon utilities helps its customers save money and avoid emissions through various energy efficiency programs. Through the ComEd Energy Efficiency Program, PECO Energy Efficiency Program, BGE Smart Energy Savers Program® and PHI Home Energy Savings Program® customers have saved over 26.5 million megawatt hours (MWh) of energy in 2023. These savings equate to more than 9.8 million metric tons of CO_2e emissions avoided—equivalent to the CO_2 emissions from the energy use of almost 1.3 million homes for one year or the amount of carbon sequestered by over 11.4 million acres of U.S. forest in one year. Program details vary by utility and may include offerings that enable customer savings through home energy assessments or audits; incentives for energy efficient home products, lighting, appliance and equipment; and innovative programs like smart thermostats and combined heat and power programs, as well as appliance recycling. The adjacent chart shows a summary of MWh saved and GHG emissions avoided over the past three years as a direct result of these programs.

> Customer energy efficiency savings equate to more than 9.8 million metric tons of CO_2e emissions avoided—equivalent to the CO_2 emissions from the energy use of almost 1.3 million homes for one year or the amount of carbon sequestered by over 11.4 million acres of U.S. forest in one year.

For Your Home

BGE

ComEd

PECO

ACE

Delmarva

Pepco

For Your Business

BGE

ComEd

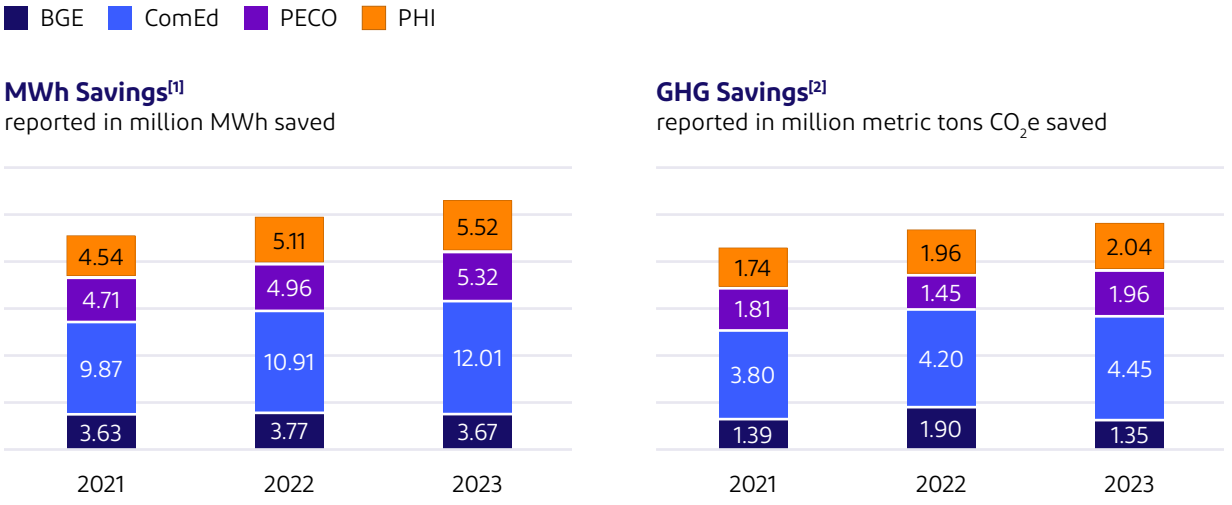
PECO

ACE

Delmarva

Pepco

Utility Savings From Customer Energy Efficiency Programs



[1] MWh savings are estimated and subject to future independent evaluation in several of Exelon's service territories. Future jurisdictional evaluation reports for each Exelon utility may affect final total MWh savings and can be consulted for final values once publicly available.

[2] Energy efficient lighting continues to be affected by the federal Energy Independence and Security Act standard in 2023.

Customer Energy Efficiency Goal

2023[1] Status

Exelon helped customers save 26.5 million MWh through utility energy efficiency programs through a combination of new, incremental investments, as well as carryforward benefits from prior year investments.

2024 Goal

Exelon will help customers save an incremental 3.12 million MWh through utility energy efficiency programs.

[1] Utility energy efficiency investments typically provide benefits for a number of years after the initial investment. Our 2023 status reflects MWh reductions from both ongoing "carry forward" prior year investments, as well as new incremental investments (those made in the latest prior, or current year). Aggregate savings are estimated, with independent evaluations of results required in several Exelon utility jurisdictions. These evaluations may result in updates to one, or more utility estimated values in the future when evaluations are completed. Please see these jurisdiction evaluation reports for final approved values.

Exelon utilities work with public service commissions and consumer advocates in their jurisdictions to identify energy efficiency plans and programs. In addition to directly helping customers reduce their energy bills through lower electricity consumption, energy efficiency measures also reduce the total load Exelon serves, which helps to reduce Scope 2 GHG emissions associated with line losses and Scope 3 GHG emissions associated with the generation of electricity produced by upstream suppliers. As we look to the future and further electrification of the economy, energy efficiency also benefits our customers and communities by reducing the rate of peak energy demand growth, resulting in relatively lower capital spending on the infrastructure necessary to ensure reliability under peak demand conditions.

In addition to energy efficiency programs for customers, Exelon's gas utilities also aid customers looking to switch to lower-carbon fuels. During 2023, our utilities assisted 1,572 customers to convert home heating from oil or propane to lower-carbon natural gas home heating using higher efficiency heating equipment. Additional customers converted from less efficient oil or electric appliances to more efficient natural gas options. Across our residential gas conversion programs, our gas utilities achieved customers energy needs while avoiding almost 4,100 metric tons of CO_2e emissions through use of lower-carbon fuels. This emission avoidance is the equivalent of 460,589 gallons of gasoline.

PECO's Natural Gas Energy Efficiency Program

Launched in 2009, PECO's Natural Gas Energy Efficiency program provides residential and commercial PECO gas customers with ways to save energy. PECO manages an annual budget of $2.7 million for incentives and administration of the energy efficiency program. Since 2021, the company has expanded offerings to include a greater mix of residential equipment rebates with higher incentives, multiple direct install measures and an online marketplace discount for smart thermostats. In 2023, the program expended over $2.5 million of the annual budget to help customers reduce natural gas use and save on energy costs. The low-income Safe and Efficient Heating Program, launched by PECO in January 2022, manages an additional $719,000 budget to provide no-cost repairs, replacements and energy efficiency upgrades for natural gas equipment.

2023 Awards for Customer Efficiency Programs

BGE

BGE received the Environmental Protection Agency (EPA) ENERGY STAR® Partner of the Year: Sustained Excellence Award for the 13th consecutive year in 2023. Additionally, BGE received five American Marketing Association Marketing Excellence Awards (three for BGE's Energy Efficiency Business program campaigns and two for BGE's Energy Efficiency Residential program campaigns), six Platinum, four Gold and one Honorable Mention dotCOMM Marketing Awards (all for BGE's Energy Efficiency Business program campaigns) and two Chartwell awards (commercial and residential campaigns). BGE also received seven Hermes Creative Bronze Awards for Marketing for BGE Energy Efficiency Business Programs, including one Platinum and two Gold awards, and 10 additional Hermes Creative Awards for various BGE residential program marketing campaigns, including six Platinum and three Gold awards. Other energy efficiency program marketing awards include: five Marcom awards, five Viddy awards, five Addys awards and two Telly awards. Individual awards won include a UCI Better Communications Award and one AESP award. Lastly, BGE again received the ENERGY STAR® Residential New Construction Market Leader Award in 2023.

ComEd

ComEd received the ENERGY STAR Partner of the Year: Sustained Excellence Award for 2023. This is ComEd's eleventh year in a row for the sustained excellence recognition and its 13th year of earning recognition in at least one award category. ComEd also received two Inspiring Efficiency awards from the Midwest Energy Efficiency Alliance Awards in the category of Impact for expanded low-income health and safety investment and Innovation for energy efficiency electrification portfolio development in 2023.

PECO

PECO received the 2023 ENERGY STAR Partner of the Year: Sustained Excellence recognition for the seventh year in a row for promoting a vast array of ENERGY STAR certified products to residential and commercial customers. Additionally, PECO received an ENERGY STAR New Construction Market Leader Award for its important contribution to energy efficient construction in 2023.

PHI

In 2023, Pepco Maryland and DPL Maryland received the ENERGY STAR Partner of the Year Award: Sustained Excellence and ACE received the ENERGY STAR Partner of the Year Award.[1] For Pepco and DPL Maryland this marks the eighth and seventh years in a row, respectively. Furthermore, both companies won the ENERGY STAR Market Leader Award for the eleventh consecutive year for outstanding leadership in promoting greater efficiency by constructing and rating certified homes and apartments during the 2023 calendar year.

[1] Pepco D.C. has a suite of energy efficiency programs pending approval before the D.C. PSC, which will be its first energy efficiency programs allowed in the District.

Customer Satisfaction

Our Customer Satisfaction Index monitors our progress and captures our performance in three national survey metrics among residential and small business customers: overall satisfaction, meeting expectations and overall favorability. As compared to our 2023 benchmark group, Customer Satisfaction Index scores in 2023 for ComEd and PECO achieved top decile, BGE achieved first quartile and PHI achieved second quartile. Our customer care center satisfaction remained strong in 2023 due to our emphasis on self-service enhancements, standardized training and process improvements.

Customer Satisfaction Index	2021	2022	2023
BGE	8.25	8.17	7.95
ComEd	8.18	8.17	8.09
PECO	8.35	8.09	8.09
PHI	7.98	7.88	7.84

Customer Satisfaction Recognitions

Noteworthy recognitions from the 2023 Cogent Syndicated Utility Trusted Brand & Customer Engagement: Residential study by Escalent include:

- **PECO** named 2023 Customer Champion
- **ComEd, BGE, PECO, DPL and Pepco** named 2023 Most Trusted Brands with high scores on the Brand Trust Index
- **BGE, ComEd, PECO and Pepco** named 2023 Environmental Champions with high scores on the Environment Dedication Index
- **BGE, DPL, Pepco and PECO** named Easiest to Do Business With based on Residential Customer Effort Index

Delmarva Power also achieved the number one ranking for residential electric satisfaction in the East Midsize Region, according to the J.D. Power 2023 Electric Utility Residential Customer Satisfaction Study℠. This is the second consecutive year and the third time in five years that the company has achieved this ranking.

Safely Powering Reliability and Resilience

Exelon continuously evaluates its performance to improve safety and reliability, reinforce our physical infrastructure, strengthen our cybersecurity defenses and maintain excellent customer service. By utilizing business continuity plans so that our operations can withstand emergent events, including extreme weather and physical and cybersecurity risks, Exelon's grid and digital infrastructure is proactively prepared for such events. This ensures optimized services for our customers and communities, while enhancing security for our stakeholders.

Reliability, Performance and Investments

Exelon's utilities focus on achieving and maintaining reliability and excellent customer service. In 2023, we reduced outage duration while sustaining strong electric reliability performance. This resulted in better performance across our System Average Interruption Duration Index (SAIDI)[1] compared to 2022. We also minimized the average number of electric service interruptions per customer, which resulted in better performance across our System Average Interruption Frequency Index (SAIFI)[2] as compared to 2022.

Compared to 2023 industry benchmarks, BGE, ComEd, PECO and PHI all achieved first quartile performance values in terms of SAIDI performance. ComEd and PHI performances were best on record. In terms of SAIFI performance, BGE, ComEd, PECO and PHI all achieved first quartile performance values, and ComEd, PECO and PHI were best on record. In both instances, ComEd and PHI achieved top decile for SAIDI and SAIFI.

Ongoing electric reliability improvements at our utilities include:

- Continued focus on minimizing interruptions on the transmission systems and connected substations.
- Building resiliency through replacement and upgrades of aging overhead infrastructure to reduce equipment failures and strengthen the system against storms.
- Targeted reliability upgrades to address areas where reliability is below the system average.
- Installation of new electronically controlled switches to reduce the number of customers affected during unplanned outages.
- Replacement of overhead wires with modern, tree-tolerant construction or underground cable.
- Ongoing vegetation management to keep overhead lines and other assets free from falling trees and limbs.
- Proactive underground distribution cable replacement and remediation programs to mitigate faults and related outages.
- Continued integration of information from smart meters into the outage management process.
- Measurement and management of outage restoration processes for improved efficiency.
- Investigation of new technologies for opportunities to reduce outage frequency and duration.

Reliability

	2021	2022	2023
SAIDI[1]			
BGE	60	66	60
ComEd	35	29	26
PECO	67	55	56
PHI	55	52	49
SAIFI[2]			
BGE	0.68	0.74	0.69
ComEd	0.50	0.43	0.39
PECO	0.71	0.62	0.62
PHI	0.65	0.61	0.52

[1] SAIDI represents the average duration of interruptions per customer (total interruption minutes), excluding major events, per IEEE definition 1366, and planned interruptions.

[2] SAIFI represents the average number of interruptions per customer (total interruptions), excluding major events, per IEEE definition 1366, and planned interruptions.

SAIDI Reliability Goal

Exelon utilities will achieve and maintain top quartile performance for SAIDI (IEEE Standard 2.5 Beta Method) against our EEI utility peer group.

2023 Status

BGE, ComEd, PECO and PHI all achieved first quartile SAIDI performance values, as compared to 2023 industry benchmarks (using 2022 data). ComEd and PHI SAIDI performances were best on record, and ComEd and PHI achieved top decile.

2024 Goal

Maintain top quartile performance at each utility.

SAIFI Reliability Goal

Exelon utilities will achieve and maintain top quartile performance for SAIFI (IEEE Standard 2.5 Beta Method) against our EEI utility peer group.

2023 Status

BGE, ComEd, PECO and PHI all achieved first quartile SAIFI performance values, as compared to 2023 industry benchmarks (using 2022 data). ComEd, PECO and PHI SAIFI performances were best on record and ComEd and PHI achieved top decile.

2024 Goal

Maintain top quartile performance at each utility.

Distribution Automation at Exelon

In the last seven years, Exelon's utilities have installed over 9,000 distribution automation devices, or smart electronic switches that are able to protect customers from electric service interruptions and automatically rearrange circuits to restore power quickly. In 2023 alone, these devices protected nearly six million customers from having an outage or automatically restored power, typically within one minute.

Examples of Capital Investments in 2023

PECO Civic Terminal Yard Substation

Installation of a new 69-13 kV substation in Philadelphia at the Civic Terminal Yard to increase distribution and transmission reliability, promote flood resiliency and enable PECO to supply additional capacity to the growing area.

Transmission Capacity
69kV to 230kV line upgrades

Distribution Capacity
Two new 13kV distribution buses

Estimated Completion Date
Q2 2024

Project Spend
$130 million

DPL Transmission Upgrade— East New Market to Cambridge

Rebuild of the existing 69kV circuit from Cambridge Substation to East New Market Substation, helping improve reliability to 11,653 customers. The all-wood transmission line and old static wire, originally build in 1956, were replaced with new self-supporting galvanized steel poles, new conductor and optical ground wire.

This rebuild has improved storm hardening on a vulnerable circuit, which improves reliability performance and reduces operational risk associated with this load pocket.

Transmission Resiliency
189 poles upgraded to self-supporting galvanized steel

Transmission Reliability
11.3 miles of upgraded wire

Completion Date
May 2023

Project Spend
$40 million

Disaster Preparedness and Awareness

Protecting the electric grid and natural gas infrastructure is important for the continuity of customers' day-to-day activities. Exelon has invested millions of dollars to enhance facility protections for our critical infrastructure to improve reliability and weather resilience.

These investments have improved cybersecurity monitoring, defenses and employee training. We deploy comprehensive cybersecurity and physical security protocols that are frequently tested and upgraded to anticipate the latest threats. Our protocols, trainings and drills further prepare us for early detection and rapid recovery if an event occurs.

We share actionable intelligence with industry and government partners, including federal, state and local law enforcement organizations to promote vigilance. These partnerships give us the ability to adapt defenses to current or anticipated threats and to respond quickly, if needed.

We maintain a preparedness program to expedite our response in the event of a disaster. Our supply chain is assessed to ensure strict adherence to federal and industry guidance on approved manufacturing sources to maintain readiness.

Exelon continues to provide resources through our corporate website and a range of social media platforms, including X (formerly Twitter), LinkedIn and Facebook. Through these platforms, we respond to customer inquiries and concerns and provide real-time outage information. We also communicate routine reminders on disaster preparedness and emergency response updates directly to our customers and communities. In addition to sharing notifications ahead of major weather events, we also share notifications on associated issues, such as increasing or decreasing temperature conditions.

At the local level, customers receive safety information on our utilities' websites. Customers can access information on safety, including how to protect themselves and their families during power outages. Please visit our utilities' websites at ACE Safety, BGE Safety, ComEd Safety, DPL Safety, PECO Safety and Pepco Safety for more information.

Physical Security, Cybersecurity and Business Continuity

Exelon is committed to providing physical security, cybersecurity and business continuity programs to protect our people, infrastructure, customers and the communities we have the privilege to serve.

Cyber and physical threats to energy infrastructure are becoming increasingly sophisticated and dynamic. Exelon utilizes a risk-based, intelligence-driven "defense-in-depth" security approach to implementing a comprehensive set of cybersecurity and physical security policies and procedures. We maintain effective working relationships with law enforcement and U.S. intelligence agencies, coordinate with the Electricity Information Sharing and Analysis Center (E-ISAC) and participate in the Department of Energy's Cybersecurity Risk Information Sharing Program (CRISP) to strengthen the security of the energy grid, develop and deploy new technologies and participate in designed drills and exercises. These relationships allow for information sharing and enhanced knowledge of national and international threats that may affect our personnel and facilities, as well as improved responses to incidents that impact or may potentially impact Exelon. They also allow us to educate first responders about issues and activities that impact us and the need for collaboration and effective responses from governmental agencies.

Physical Security

Exelon recently formed a separate standalone Corporate Physical Security department that reports to the Senior Vice President of Operations, Business Investments and Corporate Physical Security. Our physical security team is responsible for identifying and monitoring critical sites and potential threats to our operational assets, including terrorism, sabotage, theft and vandalism.

Considering the physical security events that occurred in 2022 in North Carolina, Oregon and Washington at other utility company operational locations; the disrupted plot against Baltimore Gas and Electric (BGE) that resulted in announced arrests by federal law enforcement in Q1 of 2023; and potential new North American Electric Reliability Corporation (NERC) regulations, Exelon partnered with each operating company to complete a full reevaluation of physical security standards and protection strategies to identify any needed adjustments.

In 2023, the physical security team continued to design and implement multilayered and integrated security controls, including physical barriers, detection systems, access control, cameras and video analytics across our sites.

In 2023, Exelon also worked to upgrade its facilities, adding new physical security measures on an ongoing basis to reduce vulnerability to physical attacks and unauthorized access to personnel, equipment, systems and materials at substations.

Cybersecurity

As one of the nation's major critical infrastructure providers, the safety, reliability and security of our systems and facilities are top priorities. Cybersecurity is managed at the enterprise-level with controls for information technology (IT) and operational technology (OT) that are aligned with the National Institute of Standards and Technology's (NIST) Cybersecurity Framework to effectively identify, detect, respond to and recover from a spectrum of threats, mitigating the likelihood of successful attacks and potential impacts. Our approach implements controls aligned with the NIST Cybersecurity Framework to effectively identify, detect, respond to and recover from a spectrum of threats, mitigating the likelihood of successful attacks and potential impacts. This approach ensures that all operating companies benefit from our pooled investment in a unified and flexible security program.

Exelon protects assets critical to grid reliability and national security through the implementation of the NERC Critical Infrastructure Protection Reliability requirements, and gas pipeline security under the U.S. Department of Homeland Security's Transportation Safety Administration's Security Directives. Cyber assets critical to the electric and gas operations are isolated within restricted networks, segmented from the enterprise IT environment and the Internet, continuously monitored for malicious activity and routinely evaluated for vulnerabilities.

Exelon conducts stringent employee and contractor screening, and we continuously advance security awareness through training and monitoring programs that address both cyber threats and physical threats. Employees are subject to annual mandatory training addressing security awareness, including cybersecurity and phishing.

We have a robust incident response program to manage and respond to cybersecurity and physical incidents to drive system recovery and business continuity. We maintain a single, centralized cyber incident response program and plan that aligns with NIST CSF, which employees are trained and tested on regularly to ensure preparedness and to identify opportunities for improvement. All of Exelon's security policies are reviewed annually and updated as necessary to remain current.

Business Continuity

We maintain substantial business continuity plans to assist the business units with response and recovery programs to create resilience in an evolving landscape of physical and cyberthreats. To safeguard our business resilience, we apply a combination of incident response, crisis management, business continuity and systems recovery programs. As with all our security efforts, we designed these programs to align with NIST standards and to apply to all risks and hazards.

Exelon's corporate physical security, cyber, IT and emergency preparedness teams deploy plans and programs to support response and recovery activities. Exelon's business continuity program covers all Exelon business functions, focusing on maintaining operational readiness. When priority incidents occur, we respond by quickly mobilizing resources, executing recovery strategies and establishing workarounds. The systems recovery and IT disaster recovery programs aim to minimize downtime through a coordinated team approach. This approach informs and consults all key stakeholders throughout the process.

In the case of a significant event or business disruption, Exelon leverages a variety of tactical and leadership-level response teams to respond and recover from emergent events and business disruptions. The ERO allows impacted business operations to quickly acquire resources and support from corporate functions. It also centralizes communications through the Business Continuity and Crisis Management teams. In 2023, the ERO responded to a variety of threats, reducing time for operational disruptions while keeping impacted internal and external stakeholders informed.

In 2023, we completed a business impact analysis campaign to help predict the consequences of disruptions to business processes. We plan to utilize the data to enhance our recovery strategies moving forward. Annually, our functional leadership also reviews and approves the business continuity and systems recovery plans to address business disruptions, outages, drill results and lessons learned.

Exelon continues to evolve our all-hazards, NIST-aligned approach to incident response with a focus on ensuring reliability for our customers and operations. Following any event or exercise, the teams and their business partners update business continuity plans and enterprise procedures to standardize incident responses and reduce recovery time.

Cybersecurity Resiliency Testing Using GridEx

Our corporate physical security, cyber and IT teams conduct relevant training and exercises to test the validity and completeness of resilience plans with participation from operating company leadership and relevant personnel. In 2023, our Business Continuity team coordinated Exelon's participation in GridEx, an industry-wide biennial operational exercise event held by NERC. GridEx is designed to assist utilities and other stakeholders across North America in practicing their response and recovery activities to a coordinated attack on the grid. Key stakeholders from across the enterprise participated in GridEx, focusing on testing internal processes.

Exelon Utilities Storm Response

All Exelon operating companies are active participants in mutual assistance within the industry. Mutual assistance provides our storm response resources to other utilities when they need help, and it enables us to acquire additional resources for maintaining services for our customers when needed. Our utilities belong to a number of regional mutual assistance groups (RMAGs) that cover much of the U.S. and parts of Canada. Each Exelon utility belongs to at least two RMAGs, which allows for flexibility and access to resources from a larger footprint.

RMAGs facilitate the movement of storm response resources to support utilities affected by storms or other events. When a utility identifies the need for supplemental storm response resources, the RMAG coordinates a call with its members to arrange for the movement of crews to the affected area.

In the event of storms and other impacts, Exelon executes a "scalable response" that incorporates mutual assistance. The response includes leveraging the following:

- Resources internal to the utility company
- On-system contractors
- Resources from other Exelon utilities (internal and contractor personnel)
- Unaffiliated contractors from around the country who provide storm support
- Mutual assistance resources (crews made available through other utilities outside of Exelon)

Depending on the severity of the event, these options can be used in combination to acquire the resources needed to respond effectively.

For storm events that can be forecasted relatively accurately in advance of impact, such as hurricanes or some winter storms, Exelon may acquire extra resources or "pre-staging" crews. For storms with little to no warning, such as summer thunderstorms and derechos, resources are acquired as quickly as possible after impact. Local and regional resources are leveraged as possible to minimize mobilization times.

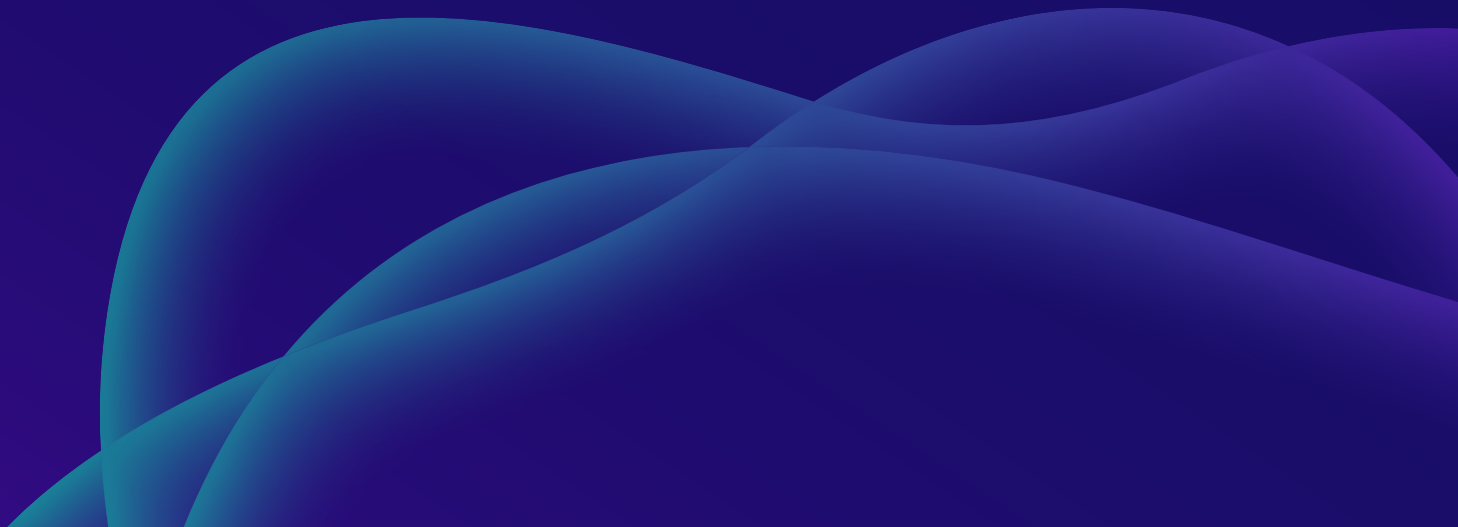
Exelon is currently considering projections for potential changes to physical risk challenges associated with climate change. More information can be found in our Adaptation Planning section.

Mutual Assistance

BGE	ComEd	PECO	PHI
• North Atlantic Mutual Assistance Group • Southeastern Electric Exchange	• Great Lakes Mutual Assistance Group • Midwest Mutual Assistance Group • Southeastern Electric Exchange	• North Atlantic Mutual Assistance Group • Southeastern Electric Exchange	• North Atlantic Mutual Assistance Group • Southeastern Electric Exchange

Supporting Communities

When our communities and people thrive, Exelon thrives. We partner with communities to eliminate barriers to economic empowerment through workforce development, supplier development, corporate philanthropy, and science, technology, engineering and mathematics (STEM) education. To help communities meet their sustainability and climate goals, we seek fair, equitable access to new technologies and clean energy opportunities. Our employees also give back to their local communities through employee philanthropy and volunteerism. Through these actions, Exelon helps power the economic health and well-being of the diverse communities we serve.



Supporting Local and Diverse Suppliers

Through our Diverse Business Empowerment program, Exelon realizes competitive advantages from the talents that all people bring to the workplace. Exelon serves some of the nation's largest and most ethnically diverse metropolitan areas, including Baltimore, Chicago, D.C. and Philadelphia. We aim to reflect that diversity across our supplier base, in addition to our workforce and culture. We partner with certified, diverse-owned businesses to better serve our customers, and we view these partnerships as opportunities to help diverse business enterprises develop and grow. Not only do these investments benefit Exelon, but they also empower our customers and communities.

We source materials, goods and services from thousands of large and small businesses across the country. In 2023, we spent approximately $8.1 billion with suppliers. Approximately 64 percent of this was spent locally in our key operating areas—Illinois, Pennsylvania, Maryland, New Jersey, Delaware and D.C.—where our businesses are most heavily concentrated.

In 2023, Exelon's direct spend with diverse suppliers totaled nearly $2.2B, 64 percent of which was with businesses located in our Exelon utility footprints. Since 2021, Exeon's direct spend with diverse suppliers has increased 18 percent As further recognition for our continued commitment to building a diverse supply chain, we maintain our membership in the prestigious Billion Dollar Roundtable, a top-level advocacy organization that promotes corporate supplier diversity excellence. The organization recognizes companies that spend at least $1 billion annually with Tier 1 diverse suppliers.

Exelon's "high-margin" strategy focuses on fully integrating certified, diverse-owned suppliers in under-utilized professional services categories. We embarked on this high-margin strategy because businesses in the professional services industries typically have higher profit margins and, therefore, an increased capacity to contribute to community economic development through job creation and community-based organization support. In 2023, our high-margin spend with certified diverse-owned suppliers totaled $245 million.[1]

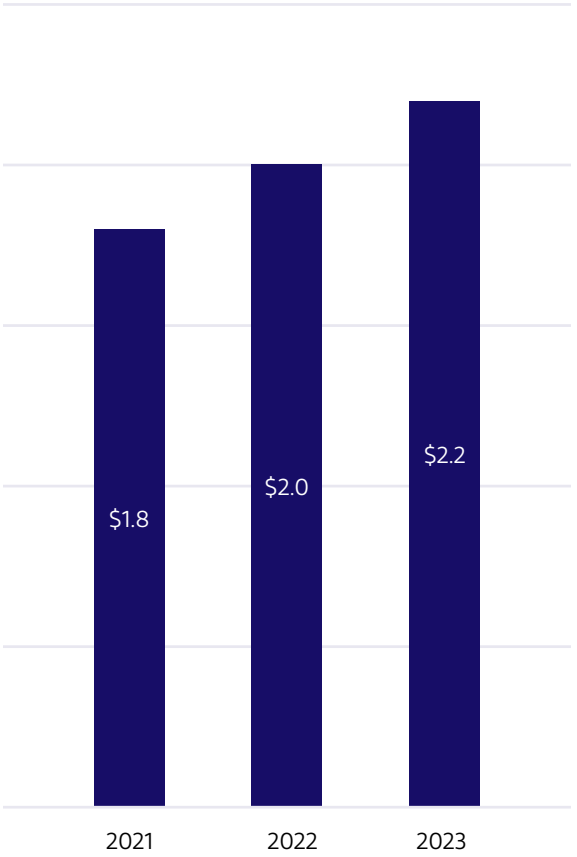
The strategy highlights eight categories of spending in the professional services areas:

- Advertising and marketing
- Banking
- Business consulting
- Engineering and technical consulting
- Financial services
- HR services
- IT professional services
- Legal

[1] 2023 High margin spend now includes spend from corporate functions, which was previously excluded from the 2022 Sustainability Report boundary for this metric.

Direct Diverse Supplier Spend[2][3]

billion USD



[2] Diverse supplier spend for 2021 reflects Exelon utility operations only. Spend for 2022 and 2023 includes utility operations and Exelon's corporate function, following Exelon's separation from Constellation.

[3] Exelon has elected to focus on reporting its direct diverse supplier spend in the 2023 ESR. 2021 and 2022 values reported in prior year reports have been updated in this report to reflect direct spend.

Community and Diversity Banking and Investment Partners

In 2023, Exelon arranged $140 million in credit lines with community and minority owned banks in Illinois, Maryland, New Jersey and Pennsylvania, reinforcing the company's commitment to invest in local communities. These transactions help grow local businesses and are critical to communities. Exelon's minority and community banking program, which began in 2003, is unique to the energy industry. Administered by JP Morgan Chase since its inception, the program now has 22 participating banks across the country—almost three times the original number.

Exelon Corporation has $1.4 billion in pension, employee savings plans, and retiree health-care assets invested with 23 diverse-certified investment firms.

Taxes are another important way that Exelon supports the communities in which it operates. In 2023, Exelon paid or collected and remitted a total of almost $3.3 billion in income, payroll, property, sales, use, and utility taxes directly related to our business operations, as summarized in the adjacent table.

Exelon Corporation and Subsidiaries—2023 Taxes Paid[1]

	Paid by Exelon Entity	Collected and Remitted by Exelon Entity on Behalf of Government Agencies	Total Taxes Paid or Collected and Remitted by Exelon Entity
Dollars in Thousands			
Federal Income, Payroll and Other Taxes	$223,798	$657,231	$881,029
State and Local Taxes[2]			
Delaware	$39,290	$11,097	$50,387
D.C.	$176,020	$32,064	$208,084
Illinois	$345,973	$562,011	$907,984
Maryland	$607,620	$263,280	$870,900
New Jersey	$9,391	$88,852	$98,243
Pennsylvania	$171,867	$87,690	$259,557
Other States	$(2,156)	$4,865	$2,709
Total 2023 Taxes Paid	$1,571,803	$1,707,090	$3,278,893

[1] Numbers reported on a tax basis and rounded in each jurisdiction to the nearest one thousand dollars.

[2] State and local taxes include income; franchise; payroll; property; sales and use; utility and other taxes as applicable in each jurisdiction.

Powering Our Communities Through Workforce Development

An integral part of a just transition is equity in economic opportunity. Through job creation and workforce development, Exelon seeks to support under-resourced communities to access those opportunities. We are committed to empowering the communities in which we work and live with job training, barrier removal efforts and educational resources to prepare and support both work-ready adults and youth for family-sustaining careers in energy and STEM. Workforce development programs positively impact the communities we serve by equipping individuals who are either unemployed or underemployed with new and valuable job skills to support their future success. The programs also build a pipeline of qualified, diverse and local talent to support Exelon's ability to meet the workforce needs of the energy future.

2023 workforce development highlights included:

- An investment of more than $18 million to support industry-leading workforce development programs across six utilities and in our corporate offices.
- Nearly 8,800 people participated in Exelon's 90+ workforce development programs, some of which advocate for policies and practices and create programs that reduce systemic barriers to energy career access; some that strengthen current and/or execute new approaches and partnerships with employers, nonprofits and community groups to expand training and job opportunities, and create family-sustaining jobs for work-ready adults and youth; and many others—such as our middle- and high-school programs that are designed to increase awareness of energy-related and STEM careers.
- 345 adult graduates of one of Exelon's infrastructure academies or other job training programs were hired either by Exelon or other companies.
- Another 400+ graduates from our other workforce development programs have achieved many other successes, such as receiving internships, earning college scholarships or increasing their knowledge of STEM and STEM careers.
- In total, since 2019, when we began to synergize our Workforce Development efforts, 1,777 people have been hired (internally or externally) through our job training and other programs.
- For the third year in a row, we received the Center for Energy Workforce Development's highest award—the Chairman's Award—which recognizes a company for excellence in workforce development leadership.

Workforce Pathway Goal

Educate scholarship recipients about our internship opportunities to help increase diversity in STEM fields and work experience in their targeted majors.

2023 Status

85% of Exelon scholarship students participated in internship education events.

2024 Goal

Reduce barriers to internship education event attendance by creating additional opportunities for those with scheduling or other conflicts.

STEM Education

Creating a reliable workforce pipeline is crucial to ensuring our success while meeting the need for dependable power through the energy transition. As we promote STEM education for future leaders, it is our responsibility to support underrepresented populations and build a diverse workforce. As part of Exelon's ongoing efforts to promote workforce development and empower young women, the Exelon Foundation, in partnership with The National Energy Education Development Project, created free year-round STEM programming to engage high school and collegiate girls from under-resourced communities in our key markets.

In the summer, we offered free, week-long STEM Academies at local universities for young women in the northern Illinois, Philadelphia and Baltimore/D.C. areas. The Academies brings together STEM exploration through interactive hands-on activities, field trips to Exelon worksites, career panels with employees and leadership development training. Participants learned from women working in STEM careers and other leaders by exploring sustainability, energy efficiency, renewable energy and climate change, and connected with like-minded peers while working on a team-based energy challenge. Our STEM Academies served 173 young women in 2023, with over 80 percent representing minority groups. With the conclusion of the 2023 summer Academies, we have reached 1,000 women since the program's inception.

Promoting Equity in Educational Opportunity

Micaela Venyo

Exelon Foundation
STEM Academy
Scholar

Hometown:
Belcamp, Maryland

School: Virginia Tech

Major: Mechanical Engineering

Micaela interned in the gas distribution operations division at BGE and was able to witness the day-to-day roles gas engineers take on. Micaela was tasked with using geographic information systems to rectify corrosion test points around Baltimore by accompanying engineers and fellow interns on trips to local substations and plants. She also was able to shadow the uncrewed aerial team and see firsthand how drones were being implemented in the energy field. Micaela enjoyed seeing how her work in the office culminated into real-world solutions.

"The network I've built up during my time as an Exelon STEM Academy participant and the support I've received as a scholar has been crucial in guiding me through my college career. Attending the Exelon STEM Academy helped me visualize my dream of becoming an engineer. Receiving support as an Exelon Scholar is turning that dream into a reality."

Micaela Venyo

Ashanta Smith

Exelon Foundation
HBCU Scholar

Hometown:
Darby, Pennsylvania

School: Lincoln University

Major: Business

The scholarship program has made a positive impact on Ashanta's life by giving her the opportunity to focus on her education endeavors and develop her professional skills. Ashanta's summer internship with Exelon helped her gain confidence in her work through taking the lead on several large projects. She also had the opportunity to shadow in many other departments to gain more hands-on experience.

"I am thrilled to have participated with such an amazing team this summer and have the utmost enriching internship experience!"

Ashanta Smith

Following the summer academies, we continue engagement through monthly mentoring sessions alongside biweekly hands-on STEM activities led by program alumni, career chats with employees and external STEM professionals and webinars covering topics ranging from professional development to financial literacy. In addition to our events, more than 6,000 young women, parents and educators receive our monthly STEMinist e-newsletter.

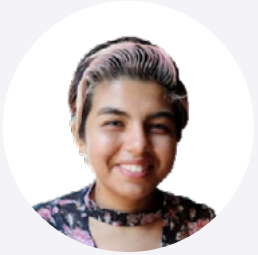
To further our commitment to STEM opportunities and future talent development, we offer full-ride college scholarships to a select group of young women who have participated in the summer program. Additionally, the Exelon Foundation Historically Black Colleges and Universities (HBCU) Corporate Scholars Program provides scholarships up to $25,000 per year for four years to select students from Exelon's markets who attend HBCUs.

The Exelon Foundation Boys to STEM Academy will launch in 2024 as part of Exelon's commitment to investing in our communities and youth. The program will offer a free, week-long experience for current 10th and 11th grade young men interested in STEM. Participants will unleash their curiosity through hands-on projects, weeklong energy challenges and events that blend STEM with essential leadership skills.

We believe that experiential learning through internships allows scholars to attain invaluable real-world experience within their fields of interest. We encourage all scholars to take advantage of our informational and training workshops created to help them secure internships at least once during their college careers.

Benefiting Our Communities and Exelon

Anahi Soto
ComEd Scholar



Hometown:
Maywood, Illinois

School:
University of Illinois Chicago

Major: Civil Engineering

The scholarship Anahi received has helped shape her future as a first-generation college student majoring in civil engineering. Beyond studying engineering principles, Anahi enjoys taking part in the ComEd Scholars mentoring program and working on fun at-home experiments that she can share with her younger siblings. This transformative experience has not only enriched her academic path but also gifted Anahi with a community of exceptional individuals who treat each other like family, providing unwavering support in both professional and personal endeavors. In 2023, Anahi interned with ComEd in the Transmission and Substation department.

"It means the world to me to work alongside amazing individuals who are responsible for powering our lives and encouraging students and communities to do amazing things."

Anahi Soto

Giving Back to Communities

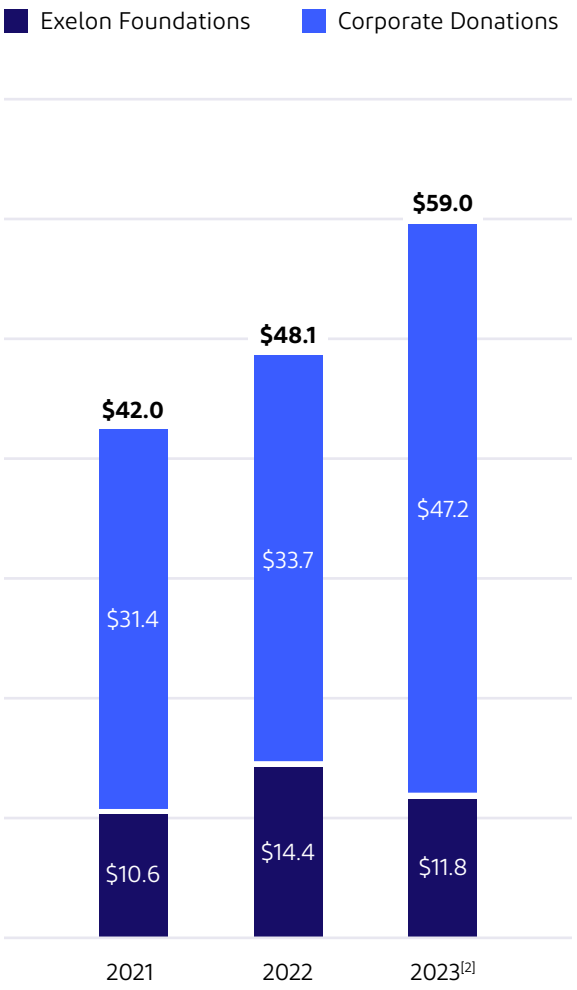
At Exelon, we are committed to supporting community progress where we live and work. We believe our success is linked to the health and overall well-being of those around us, so we engage directly with people in our local communities to make a positive difference in the areas that matter most to the customers and communities that we serve. Our engagement efforts span corporate giving, employee philanthropy and volunteerism. Our philanthropy programs also complement Exelon's broader focus on workforce development and STEM Academies that are supported by our operating companies.

Every year, we give a portion of our revenue back to our communities to create opportunities for them to thrive. In 2023, Exelon, along with its operating companies and the Exelon and PHI Foundations, provided more than $59 million in funding to more than 1,930 nonprofit organizations. We provided advance funding through multi-year commitments to non-profit organizations for programs and initiatives in 2023, totaling $21.2M through 2026, largely in Pennsylvania.

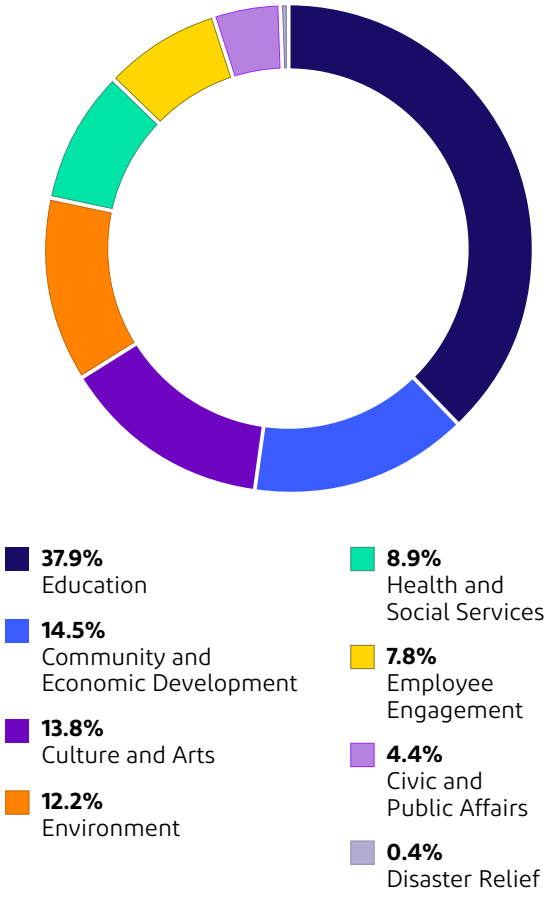
> At Exelon, we are committed to supporting community progress where we live and work.

Charitable Giving[1]

dollars in millions

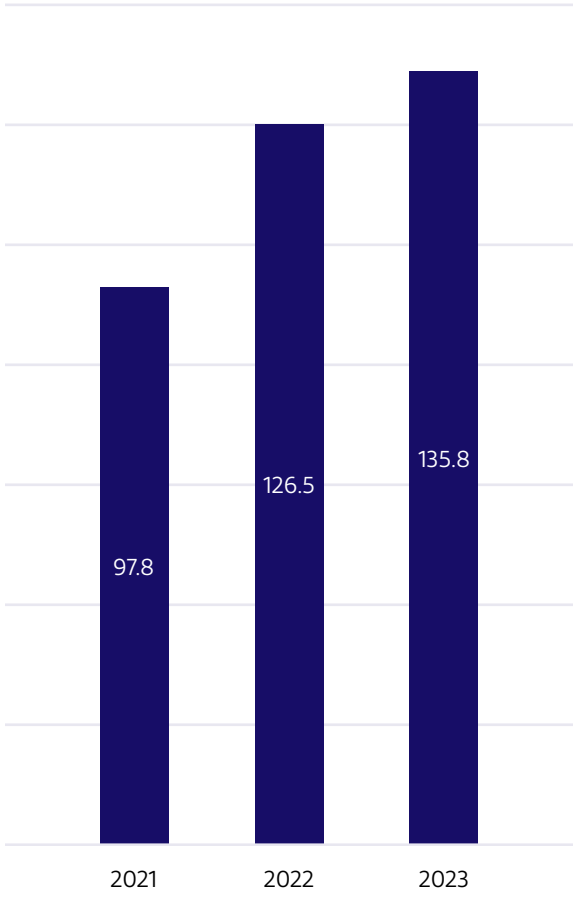


2023 Charitable Giving by Program Area[3]



Volunteer Hours[4]

thousands of hours



[1] Corporate giving for 2021 reflects Exelon utility operations, Exelon Foundation and 50 percent of corporate and business services company grants under Exelon's previous structure.

[2] In 2023, Exelon was proud to have the resources to provide advance funding for multi-year commitments to non-profit organizations for programs and initiatives, totaling $21.2 million through 2026, largely in Pennsylvania. As a result of these one-time actions, our 2023 charitable giving is significantly higher than in 2022 and will likely appear lower in 2024 and beyond.

[3] Program areas outlined are from CECP (Chief Executives for Corporate Purpose) Giving in Numbers report, which is the standard for corporate philanthropy.

[4] Volunteer hours for 2021 have been recast to reflect Exelon utility operations and 50 percent of business services employee volunteer hours under Exelon's previous structure.

Exelon encourages and supports employees to volunteer in their communities. In addition to benefiting the local community, volunteerism and employee philanthropy drive employee engagement by allowing our employees to participate and engage with organizations that align with individual areas of interest. In 2023, we expanded two of our programs to demonstrate our appreciation for all our employees who power a brighter future for our communities. The Exelon Foundation increased the maximum match from $5,000 to $10,000 per year for all employees, through Matching Gifts for donations made to eligible non-profit organizations. Dollars for Doers was simplified so that an employee receives $250 for their charity of choice for every 10 hours of volunteer time up to three times per year for a total of $750 to any eligible non-profit organization, an increase from $700 in the past.

Below are some examples of our employee philanthropic and volunteer initiatives:

- **Employee Volunteerism:** In 2023, Exelon employees volunteered a combined 135,823 hours in their communities.

- **Employee Giving Campaign and Matching Gifts Programs:** Exelon employees contributed over $5.8 million through the Exelon Foundation Employee Giving Campaign and Matching Gifts programs. The Foundation matched a portion of the donations, resulting in $9.8 million going directly back into the communities we serve.

- **Employee Volunteer Awards:** To reward our employees who volunteer more than 35 hours in a year, Exelon presents Employee Volunteer Awards, with an associated financial grant of $5,000 given to the recipient employee's nonprofit organization of choice. In 2023, we distributed $100,000 to nonprofit partners on behalf of our award-winning employee volunteers.

- **Dollars for Doers Program:** In 2023, we awarded over $500,000 in Dollars for Doers grants.

Exelon and its employees know that it takes more than our daily work to power our communities and engage one another. Through the program improvements made in 2023, including expanding employee outreach at in-person events, more employees leveraged Exelon's community programs.

Employee Engagement Goal

Engage at least 50% of employees annually in community engagement programs, including volunteerism and philanthropy.

2023 Status

52% of employees participated in at least one of our community engagement programs and nearly 500 took advantage of all of them.

2024 Goal

Increase participation in engagement programs by building awareness through more in-person outreach and onsite volunteer opportunities.

Climate Change Investment Initiative

Since 2019, the Exelon Foundation and Exelon Corporation have been growing the $20 million Climate Change Investment Initiative (2c2i) to cultivate innovative climate-solution startups. 2c2i portfolio companies are developing and deploying new technologies and products to reduce GHG emissions and address climate change in our territories. The 2c2i program blends the social and environmental impact objectives of the Exelon Foundation with the investment objectives of venture capital by investing in startups that focus on climate change, clean energy and the environment. Under 2c2i, the Exelon Foundation will invest $10 million in startups over 10 years and Exelon Corporation will provide those startups with up to $10 million of in-kind services, such as access to Exelon networks and expertise to scale their businesses. At the end of 2023, 66 percent of Exelon Foundation's 2c2i investments were in minority and women-led startups and 41 percent were headquartered in a city in Exelon's footprint.

2c2i is entering its fifth year of investment and collaboration with cutting-edge startups to accelerate their growth and help Exelon's service territories take on climate change challenges. A few illustrative examples are as follows:

- Byfusion, a woman-owned company, provides a zero-waste carbon neutral solution that repurposes unsorted commingled plastic waste, without sorting or additives, into a 22-pound block used as a construction-grade alternative building material. Byfusion is working in partnership with BGE and a nonprofit in Baltimore to divert waste from landfill while using 83 percent less carbon per block than concrete.
- Sparkcharge provides an on-demand mobile direct current electric vehicle (EV) fast charging service for fleets and consumers.
- Aclima provides hyperlocal air pollution and GHG data powered by a network of roving and stationary sensors and analytics software that translates data into intelligence for climate action.

For more information on 2c2i, please visit the Exelon Foundation website.

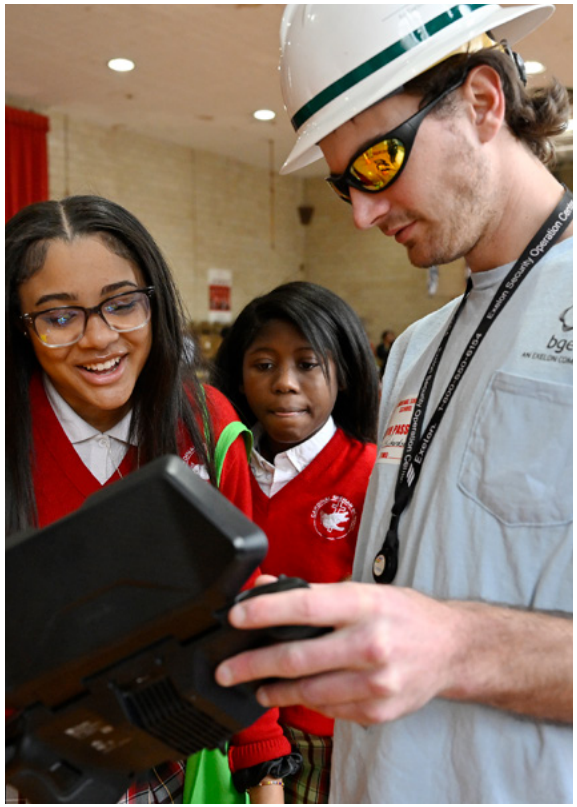
Community Impact Capital Fund

Exelon's Community Impact Capital Fund aims to support equity and provide more economic opportunities to businesses in the communities that Exelon serves. We encourage applications from businesses that have faced challenges accessing capital, with current or proposed services that will generate benefits for historically disenfranchised or socio-economically disadvantaged communities in Exelon's service areas; preference will be given to businesses located in such communities. Focus areas include growing local businesses, creating and retaining jobs and creating opportunities in areas such as affordable housing, education and healthcare, among other community needs.

Since establishing this initiative in 2022, Exelon has invested in six businesses based in our service areas of Baltimore, Philadelphia and greater D.C. The Exelon funded RockCreek Group's Community Impact Capital Fund will provide $36 million in investments with estimated loan amounts between $100,000 and $300,000 to support equity and economic opportunity and to help businesses in Exelon communities grow and prosper by expanding access to capital for businesses that:

- Face challenges in securing financing or getting access to capital.
- Are located in and/or have a positive impact on historically disenfranchised or socio-economically disadvantaged communities in Exelon's service areas, including, without limitation, through growing local businesses, creating and retaining jobs and creating opportunities in areas such as affordable housing, education and healthcare.

For more information, please visit our website.



Nature and Stewardship

Since our inception, stewardship has been a core value and business driver for Exelon and strengthens our relationships with our customers and communities. As responsible stewards, we work to reduce our impacts on natural resources by reducing our waste and emissions. We have established metrics for our environmental impacts and report our progress against these metrics annually. Moving forward, we are working to better understand how we can continue to support positive nature outcomes—particularly in light of the growing nexus of climate change, biodiversity and other nature-related dependencies, impacts, risks and opportunities.

Our Approach to Nature and Stewardship

Exelon's long-standing corporate environmental policy articulates our commitment to sustaining ecosystems and natural resources through pollution prevention and our International Standards Organization (ISO):14001-certified Environmental Management Systems (EMS). Building on this strong foundation in 2023, Exelon continued working to better understand our opportunities to support positive nature outcomes. In early 2023, we formed a Stewardship Strategy team to assess Exelon's current state with respect to nature management and how to further evolve our efforts.

As the nation's largest group of transmission and distribution utilities, we recognize the need to think broadly about nature and the potential impacts from and on our operations. We must continue to expand our understanding of opportunities and risks, particularly in the face of climate change, and work to identify actions that will promote positive results for our communities, nature and our business.

Exelon's Approach to Nature and Stewardship Management

Governance

Exelon maintains Environmental, Biodiversity, Water, Human Rights and Environmental Justice Principles and an ISO-certified EMS. The Exelon Board Governance Committee is responsible for overseeing Exelon's sustainability performance and practices, as described in the Sustainability Governance section of this report. As we begin to consider nature more broadly, we look for opportunities to integrate existing policies with new initiatives to advance positive nature outcomes.

Strategy

Our wires and pipes infrastructure are essential to a decarbonized future. We are committed to protecting the environment and enhancing biodiversity through natural resource conservation by protecting species and habitats, in particular in our operational footprint. We believe that our commitment to environmental protection and conservation enhances our relationships with stakeholders while helping to protect and enhance a natural world that benefits our communities.

Risk Management

Leveraging our EMS, we work to identify and manage the habitats that intersect with the company's operations and focus on stewarding these ecosystems. At this time, our nature-based risk management strategy includes efforts such as Integrated Vegetation Management (IVM) on our rights-of-way (ROW), certifications of lands in programs such as the Wildlife Habitat Council (WHC) and National Wildlife Federation (NWF) and voluntary collaboration with partners, such as the University of Illinois and the U.S. Fish and Wildlife Services (USFWS) Candidate Conservation Agreements with Assurances (CCAA) program, to protect the Monarch butterfly and other pollinator species.

Metrics and Targets

Exelon tracks environmental compliance metrics and sets annual targets for each utility. Acreage involved in certification programs are also tracked. As we begin to consider nature more broadly, we expect to identify additional metrics related to positive nature outcomes as well as opportunities to more fully utilize the Taskforce on Nature-related Financial Disclosures (TNFD) voluntary disclosure framework.

In 2023, we took a fresh look at our opportunities as a group of electric and natural gas transmission and distribution utilities with significant land holdings that no longer have an associated power generation business. Our Stewardship Strategy team identified common nature initiatives across our utilities resulting from our long-standing utilization of cross-utility peer groups. These collaborations have helped Exelon identify best practices and develop common approaches to land management, which provide a strong foundation for continued progress. These include:

- WHC and NWF certifications at many high-biodiversity value locations, covering 9,374 acres.
- Local partnerships with organizations dedicated to environmental stewardship across each of our utilities.
- A strong interest among employees, particularly in ongoing pollinator projects.
- Well-managed avian protection programs.
- A focus on cost-effective and nature-positive IVM.

Individually, each utility has optimized its focus on nature stewardship initiatives to develop approaches that take into consideration the interests of respective jurisdictions, address local issues and build on unique opportunities for promoting biodiversity in each service area.

To help our Stewardship Strategy team advance our efforts across our utility service areas, we utilized geo-spatial mapping tools in 2023 to analyze each of our service territories. The tools generated screening views of our utility areas based upon a set of six weighted criteria related to biodiversity and nature value potential. These criteria include:

- **National Land Cover:** Characterization of land cover into 21 classes of natural and modified environments across the U.S. (weighted at 50 percent).
- **Mean Species Abundance:** An indicator of local biodiversity intactness (weighted at 10 percent).
- **Baseline Water Stress:** A measure of the ratio of total water withdrawals to available renewable surface and groundwater supplies (weighted at 10 percent).
- **Biodiversity Hotspots:** Representations of 36 regions where success in conserving species can have an enormous impact on securing global biodiversity (weighted at 10 percent).
- **Protected Areas:** Official national inventory of U.S. terrestrial and marine protected areas (weighted at 10 percent).
- **National Hydrology Dataset:** Water drainage network of the United States (weighted at 10 percent).

Through this analysis, we identified that most of our utility service areas are characterized by low to medium biodiversity sensitivity due primarily to large-scale urban and suburban development as well as agriculture activities that dominate the regions. However, some areas of high biodiversity sensitivity were identified. For our mid-Atlantic utilities, these areas were typically characterized by combinations of water stress and the presence of coastal and inland wetlands, protected areas, biodiversity hotspots and intact forest cover. The Atlantic City Electric and Delmarva Power service territories had the highest shares of biodiversity sensitivity areas due to the more significant presence of wetlands and forested areas within their service areas. Furthermore, several criteria overlapped in these service areas, resulting in the highest percentage of high and very high sensitivity rankings occurring in the ACE and DPL territories.

The following case study illustrates how our mapping exercise characterized service areas, such as for the DPL territory. Please view our Utility Biodiversity Sensitivity Summary for details on each Exelon utility.

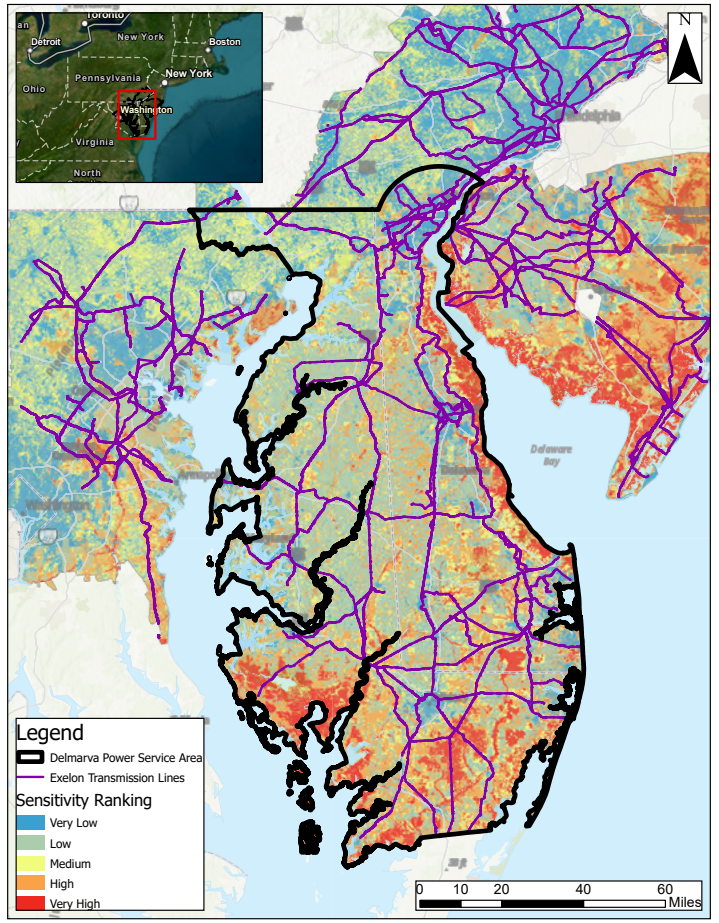
Delmarva Power

Land Cover Summary:

- Primarily agricultural (cropland) with clusters of developed areas throughout
- Large number of wetlands are scattered throughout the interior with wetlands bordering most of the region
- Pockets of natural forest are scattered throughout the region, primarily associated with wetland areas

Criteria Contributing to High Sensitivity Areas:

- Pockets of forested areas are scattered throughout.
- Wetlands are scattered throughout the interior but primarily found in the coastal areas to the northeast and the entire southern portion of the region.
- Many of the coastal wetlands lie within protected areas.
- A biodiversity hot spot (North American Coastal Plain) covers much of the region. This hotspot was classified due to the large number of endemic species, the presence of critically endangered species, and natural habitat loss due to deforestation from infrastructure development.
- The region is dominated by 'medium to high' and 'high' baseline water stress.
- High mean species abundance is found throughout all high sensitivity areas (overlapping with wetlands and protected areas).



Service Area

Sensitivity Ranking	% Area
Very Low	14%
Low	37%
Medium	16%
High	22%
Very High	11%

Transmission ROW

Sensitivity Ranking	% Area
Very Low	26%
Low	40%
Medium	16%
High	13%
Very High	5%

In addition to mapping our service areas, Exelon benchmarked peer utilities and leading companies in other industries. We reviewed Exelon and industry maturity around nature-related actions across eight key areas, including biodiversity assessment, prioritization, commitment, governance, stakeholder engagement, management, advocacy and transparency. Overall, we see significant opportunity for industry improvement in this space.

Looking forward, we will leverage these findings to take the following actions:

- In addition to established metrics such as WHC and NWF habitat certifications and associated acre, develop additional corporate-level metrics for nature-related risks and opportunities.
- Continue to evaluate carbon and climate change mitigation and adaptation initiatives related to stewardship and biodiversity, including quality carbon offsets, which may help close potential gaps in meeting our 2050 net-zero operation-driven GHG emission reduction goal under Path to Clean (our interim 2030 target will not include offsets).
- Maintain and expand partnerships that support positive nature-based outcomes and education.
- Expand voluntary reporting related to nature and biodiversity to address emerging TNFD disclosures, as well as future evolutions of the Sustainability Accounting Standards Board and Global Reporting Initiative.

Exelon's Pollinator Initiatives

Across North America, many pollinator species are in decline due to loss of habitat and other environmental factors. Pollinators, which provide numerous ecological and economic benefits, include a wide variety of birds, bats, butterflies, bees and other insects that pollinate flowering plants that produce fruits, vegetables and grains. Exelon manages tens of thousands of acres of land across our utility systems in northern Illinois and the mid-Atlantic states, much of which serve as key habitats for pollinators and provide connective routes for flora and fauna between adjacent and regional landholdings.

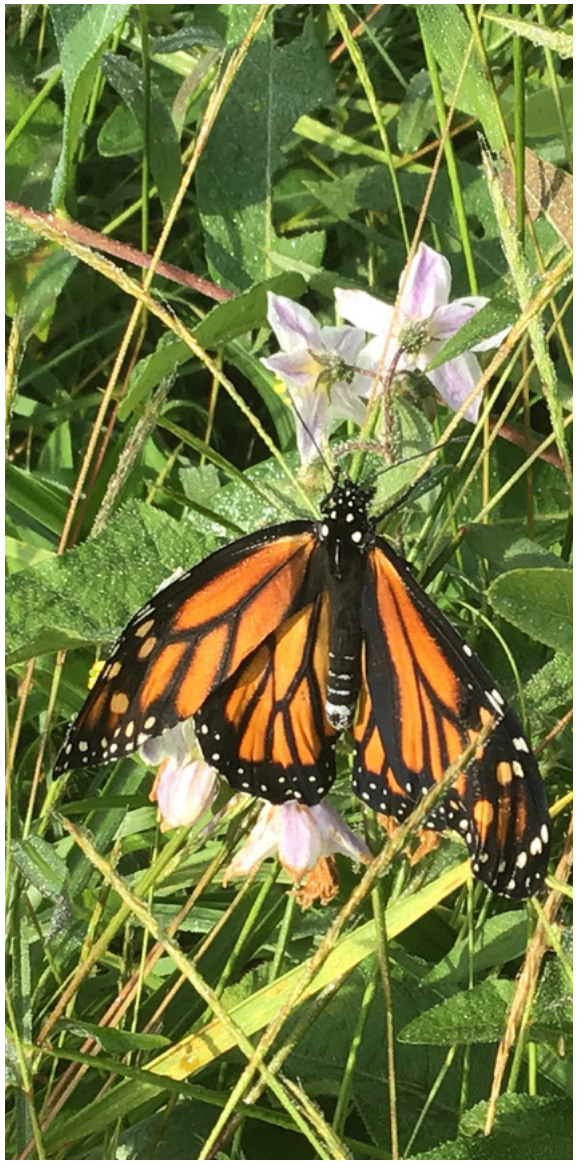
At our office and service buildings, many employees engage in voluntary action to support pollinators, including installing and managing beehives onsite and holding educational discussions for employees on the importance of native bee species and other pollinators to local ecosystems.

Monarch Butterfly Protection

The iconic Monarch butterfly is a species of particular concern for many scientists and resource management groups, and it is also an ongoing priority for Exelon. Monarch migration routes stretch from lower Canada across much of the continental U.S. to Mexico. Our service territories include areas where Monarch butterflies may feed and rest along their 3,000-mile migratory journey between spring and summer breeding grounds in the north and overwintering areas in the south.

In 2021, ComEd, BGE and the PHI utilities entered into a Candidate Conservation Agreement with Assurances (CCAA) agreement with the U.S. Fish and Wildlife Services (USFWS) to protect the Monarch. A CCAA is a voluntary agreement that provides incentives for non-federal landowners to help conserve candidate, threatened or endangered species, as identified under the Federal Endangered Species Act (ESA). For the length of the agreement, landowners agree to undertake specific activities that address identified threats to the target species. Our utilities are developing and executing a conservation plan that outlines ongoing programs and monitoring. These plans include voluntary conservation actions to support monarch butterfly habitat. At Exelon, our plans also include support for public education programs designed to enable societal action to advance habitat conservation.

Under the CCAA, Exelon utilities enrolled acres of land into the agreement and manage certain percentages of enrolled acres as adopted acres. For utility companies participating in the CCAA, at least 18 percent of enrolled transmission system acres must be managed as adopted acres and at least one percent of distribution acres must be managed as enrolled acres. As of 2023, Exelon had enrolled over 149,000 total acres into the CCAA with over 29,000 acres adopted.



2023 Partners

The CCAA for the Monarch is implemented in conjunction with the University of Illinois in partnership with USFWS and participating utilities.

Exelon utilities also worked with many local partners in 2023 to pursue pollinator habitat enhancements. Local partners included:

- **ComEd:** Chicago Botanic Garden, The Conservation Foundation, Friends of the Forest Preserve of Cook County, Forest Preserve Districts of DuPage and Will Counties, Morton Arboretum, Chicago Wilderness Alliance, Buffalo Grove Prairie Guardians and Prospect Heights Stewards
- **BGE:** American Chestnut Land Trust and Maryland Department of Natural Resources
- **PHI:** Patuxent Wildlife Refuge, National Wild Turkey Federation, Maryland Department of Natural Resources, Friends of Sligo, City of Bowie Environmental Board and Dewey Beach Lions Club
- **PECO:** Natural Lands Trust, Brandywine Conservancy, PA Department of Conservation and Natural Resources, Pollinator Partnership, Pennsylvania Horticultural Society and Penn State University

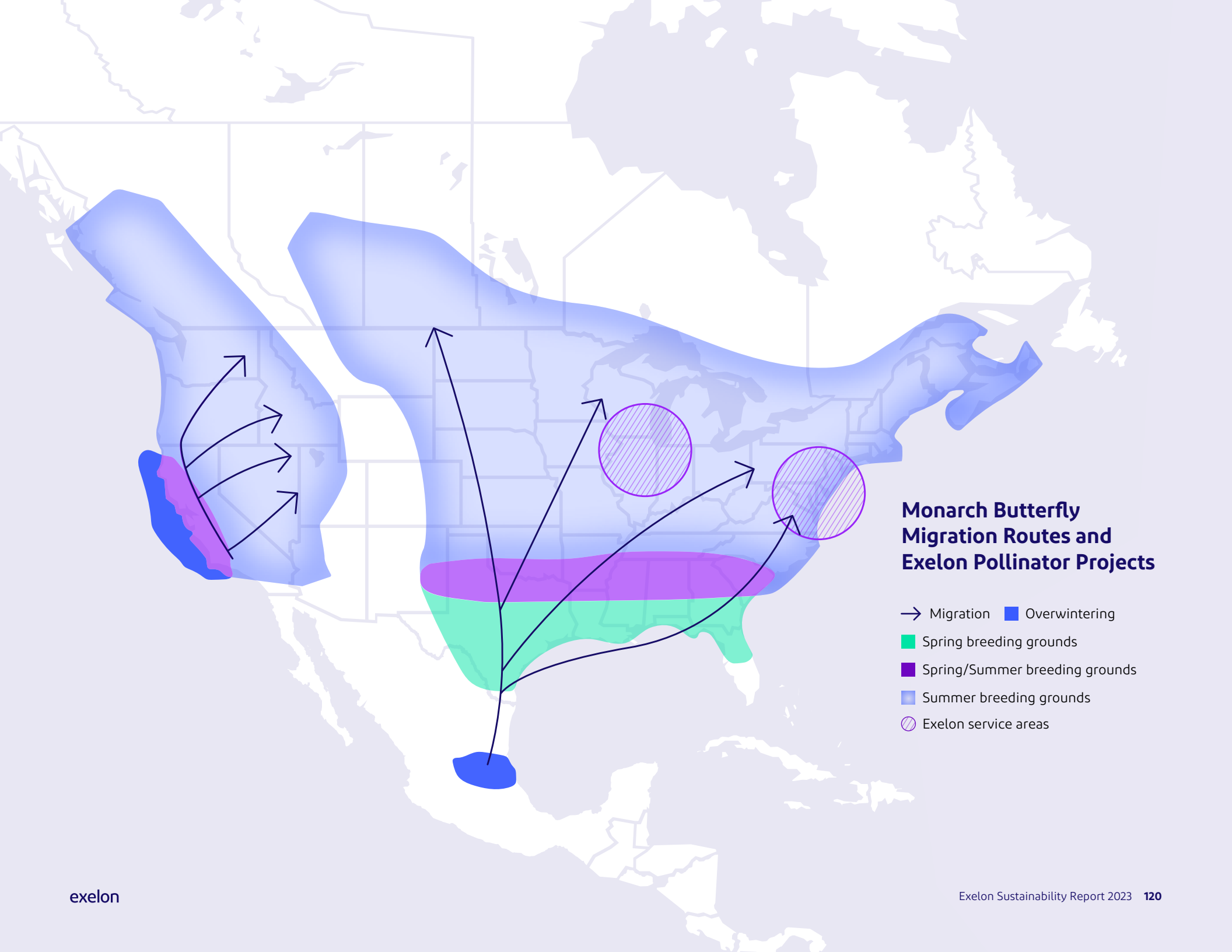
For more information about Exelon's pollinator programs, visit our website.

2023 Pollinator Project Highlights

BGE: BGE expanded its Wildlife Habitat Council areas by adding 13.1 acres in Columbia, MD to directly support pollinator habitat conservation, and set up the groundwork to bring community outreach events to the Dasher Court site that is part of the BGE ROW Environmental Stewardship Program WHC certification. BGE plans to explore using this site to conduct youth pollinator education events. BGE has also expanded its IVM sites by converting another 400 acres of Transmission Rights-of-Ways, to manage as pollinator habitat, as part of its active membership in the U.S. Fish and Wildlife Service's CCAA Program. BGE was recognized at the 2024 Monarchs and More Network Meeting CCAA Awards and Highlights, by receiving the "Sweetest Smelling Award" for the highest average percentage of nectar plants on our Transmission ROW Monarch Butterfly pollinator sites in 2023. BGE's Transmission Rights of Ways continue to play a key role in the recovery of the Monarch Butterfly populations in Central Maryland.

ComEd: ComEd established two honeybee hotels with the support of a beekeeping company, in addition to an existing hive, at its right-of-way prairie at Prospect Heights. To engage employees in the program, ComEd and the beekeeping partner hosted a hands-on workshop where employees learned about honey production and the importance of pollinator species. Additionally, ComEd donated a similar workshop to the local community library, raising awareness about the importance of honeybees and other pollinators in maintaining healthy prairie ecosystems.

PHI: PHI hosted a number of in person and virtual "hive dives" at the Atlantic City Electric Carney's Point facility in partnership with Mill Creek Apiary. ACE installed three honeybee hives at the facility and began hosting the hive dives to create awareness and engagement among employees throughout the PHI service territory on the importance of pollinators to the ecosystem, as well as to promote the Exelon commitment to biodiversity. Participants learned about honeybee life cycles as well as the important role pollinators play in food production. A native landscaping project was also completed at the facility in 2023.


Monarch Butterfly Migration Routes and Exelon Pollinator Projects
Migration
Overwintering
Spring breeding grounds
Spring/Summer breeding grounds
Summer breeding grounds
Exelon service areas

Terrestrial Habitats and Wildlife Management

Our ROWs and other company operations span thousands of acres of land, which we carefully manage for the protection of the diverse plant and animal species who call these habitats home. As we manage and build new transmission and distribution (T&D) infrastructure, we consider potential impacts to avian species, bats and the terrestrial habitats where our infrastructure and operations are located.

Wildlife Habitat

Exelon protects our shared natural environment through conservation and sustainable practices that reduce our impacts on wildlife and enhance natural habitats. Our utilities' significant land holdings, including 11,164 miles of transmission lines across our ROW, encompass large tracts that support diverse flora and fauna and sit adjacent to a variety of public and private lands and waterbodies. Our Biodiversity and Habitat Policy reflects our commitment to protect these habitats and the wildlife that live there. We are working to improve our understanding of biodiversity through partnerships with experts and regulatory agencies and collaborative studies. We also provide educational opportunities for employees and community members through our WHC and NWF certified sites.

Across our transmission system, Exelon is supporting efforts to restore and maintain 9,374 acres of fragile ecosystems at WHC and NWF locations. We are also working to control invasive species across our operational footprint, while simultaneously managing our lands to support pollinators, increase biodiversity and respond to climate impacts. Where possible, we use high diversity seed mixes in restoration efforts, which establishes a richer habitat to accommodate shifting ranges of pollinators and birds.

We continue to partner with environmental non-governmental organizations (NGOs) and agencies to learn from one another and build a community of leaders. Exelon has a longstanding partnership with the WHC to restore and enhance wildlife habitats at our facilities and on our ROWs. Exelon has been a member of the WHC for 18 years, with a total of 43 sites certified by WHC. The WHC certification program provides us with objective oversight for creating and maintaining high-quality wildlife habitats, as well as implementing environmental education programs. In addition, 67 locations or programs have NWF habitat certifications. To learn more about the WHC and NWF, visit www.wildlifehc.org and www.nwf.org.

Across our transmission system, Exelon is supporting efforts to restore and maintain 9,374 acres of fragile ecosystems at WHC and NWF locations.

Exelon Habitat Certifications 2023

Program Name	WHC	NWF	Acres
BGE			
Bagley Substation		✓	11
BGE GEB Green Roof	✓		0.1
BGE-Patuxent National Research Refuge ROW Partnership	✓	✓	8,000
BGE ROW Environmental Stewardship Program	✓	✓	225
BGE ROW Columbia/Lake Elkhorn Vicinity[1]		✓	
BGE ROW South River Greenway Partnership[1]		✓	
BGE ROW Liberty Reservoir		✓	10
BGE ROW Flag Ponds		✓	62
BGE ROW American Chestnut Land Trust		✓	30
BGE Riverside Facility		✓	5
BGE Howard Service Center		✓	135
BGE Notch Cliff		✓	20
Mount Vista Park ROW	✓		8
Northwest Substation		✓	66
Piney Orchard Service Center		✓	3
Raphael Road Substation		✓	61
Spring Gardens Facility	✓	✓	72
Waugh Chapel Substation		✓	102
Whitemarsh Center	✓	✓	20

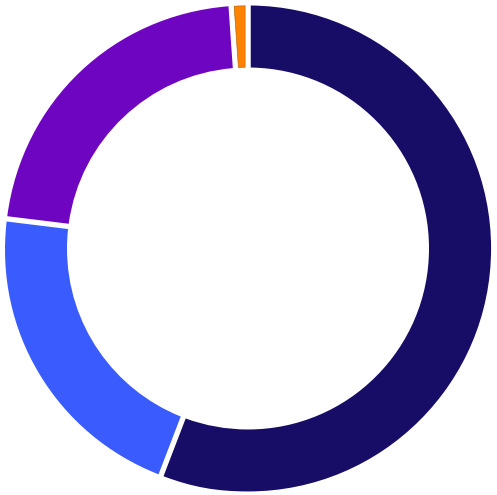
Program Name	WHC	NWF	Acres
ComEd			
Buffalo Grove	✓	✓	10
Burnham Annex ROW & Substation	✓	✓	25
Calumet City Prairie	✓	✓	5
Cherry Valley ROW	✓	✓	18
Crystal Lake	✓	✓	20
Fischer School Prairie	✓	✓	9
Glenbard (Churchill)	✓	✓	11
Greene Valley	✓	✓	16
Helm Woods	✓	✓	4
Hitts Siding	✓	✓	12
Kloempken	✓	✓	8
Lake Forest	✓	✓	10
Lake Renwick	✓	✓	12
Linne Prairie & Woods	✓	✓	10
Lions Woods		✓	3
Old River Road	✓	✓	4
Orland Park	✓	✓	2
Powis Road	✓	✓	15
Pratts Wayne Woods	✓	✓	12
Romeoville Prairie	✓	✓	26

[1] Part of BGE Environmental Stewardship Program, but individual NWF Certifications.

Program Name	WHC	NWF	Acres
Sand Ridge Savanna	✓	✓	9
Stearns Road	✓	✓	13
Superior Street	✓	✓	14
Swift Prairie	✓	✓	8
Wentworth Prairie	✓	✓	5
West Chicago	✓	✓	7
Wilmington Shrub Prairie	✓	✓	12
PECO			
Brandywine River Trail		✓	4
Manor Road ROW	✓	✓	26
Cherry Lane Meadow		✓	7
Morton Wetland	✓	✓	1.8
Honey Hollow Meadow		✓	12
Goat Hill Serpentine Barrens Restoration	✓	✓	2
Newtown Square Wetlands	✓	✓	1
Pollinator Pilot Project		✓	2
Ring Road Meadow		✓	14
Rock Spring Natural Area		✓	25
Spring Mill ROW		✓	12
Upper Gwynedd Preserve ROW		✓	2
Brandywine ROW	✓	✓	4.3
Route 202 ROW	✓	✓	21
Center Point ROW		✓	6
Elkton ROW		✓	8
Berwyn Meadows		✓	6
West Chester University ROW		✓	3.4
PHI			
Benning Service Center	✓	✓	0.5
Pepco Transmission ROW	✓	✓	80
Carneys Point	✓	✓	3.5
Dewey Beach Lions Club Wetland	✓	✓	1
WaterShed Sustainability Center	✓	✓	1
Total	43	67	9,374

Rights of Way and Integrated Vegetation Management

Exelon's utilities manage 11,164 miles of transmission lines that are contained within approximately 167,000 acres of transmission corridors. We continuously manage vegetation along our transmission line ROWs to ensure safety, improve system reliability and promote and protect diverse habitats. Managing these areas presents an opportunity to cultivate open, low-growing habitats favored by certain plants and wildlife.



Exelon ROW Land Holdings (acres)

- **56%** Level 1
- **22%** Level 3
- **21%** Level 2
- **1%** Level 4

Level 1

Highly constrained site—railroads, commercial/industrial sites, dense residential, agriculture, and regulatory exclusions

Level 2

Transitional site—candidates for qualitative improvements, marginal habitat, natural area with high populations of invasive species, sites being converted from cycle herbicide to cycle mowing to IVM, high numbers of incompatible woody plants, less dense residential

Level 3

Stabilized/steady state—meadow/prairie/restored native grassland, natural areas in good conditions, shrub/scrub habitat, sites that are currently managed using IVM

Level 4

Special management projects or high-quality sites—third-party certified sites, research sites, recreational sites, sites with defined conservation or habitat goals, exceptional features, cooperative sites and partnerships

BGE Good Neighbor-Good Energy Project

BGE's Good Neighbor-Good Energy project added native vegetation to create habitat, increase biodiversity, enhance beautification and reduce heat-island effects in and around the Front Street campus in Baltimore, Maryland. The project sequesters carbon and engaged community members by inspiring employees and residents nearby to plant native gardens. The Front Street campus will be evaluating certifications such as Audubon Patterson Park bird-friendly and obtain NWF and WHC certifications in 2024.

In addition to the commitments outlined in our corporate Biodiversity and Habitat Policy, we utilize Integrated Vegetation Management (IVM) within our ROW so that line clearances and system reliability are maintained. IVM measures are designed to consider land, water, habitat and wildlife improvement opportunities. By systematically assessing and managing plant communities within our ROW for IVM opportunities, we promote positive environmental outcomes while also reducing operating costs. IVM measures includes identifying compatible and incompatible vegetation, applying appropriate control measures to vegetation within our ROW and adjacent land areas, implementing judicious chemical controls, mowing, invasive species removal and cultural controls that reintroduce beneficial native plant species.

Over the last five years, Exelon has worked to evaluate and understand the potential of its ROW acreage for IVM opportunities that better support pollinator species. We have identified four categories of value (as depicted on the prior page) that reflect the various types of lands within our service areas. As we work to consider future opportunities, we prioritize higher value areas where multiple nature and community benefits co-exist, such as simultaneous pollinator and wildlife support.

In ComEd's territory, we manage approximately 15,000 acres of natural green space using a selective management approach that preserves compatible habitat, including more than 500 acres managed as high-quality, native prairie ecosystem. PECO uses IVM to manage all electric transmission ROWs and oversees over 150 acres of ROW and other lands certified as conservation habitat. BGE actively manages 3,261 acres of transmission ROWs using IVM to encourage the establishment of compatible low-growing native shrub and grass communities to improve wildlife habitat, reduce BGE's carbon footprint and improve water quality within the Chesapeake Bay watershed.

BGE, PECO and ComEd also implement programs to donate certain removed vegetation from utility ROWs to local zoos to provide diverse feed for the animals. Referred to as "browse," leaves, twigs, and branches from vegetation such as maple and willow trees provide a great source of nutrition for some species of zoo animals, including giraffes and gorillas. In addition to helping our local utilities repurpose tree trimmings for beneficial use, local participating zoos can also save money by substituting donated browse for food sources that would otherwise be purchased.

Avian Species Management

Protection for bird species is a crucial part of Exelon's commitment to wildlife and stewardship. When birds land or nest on our electric power lines or other utility infrastructure, transmission facilities can be damaged, outages can occur and birds can be negatively impacted. Birds of prey, migratory birds and endangered species routinely use power line poles and towers as perches to establish territorial boundaries, hunt, rest, find shade and feed. Poles often provide perching and nesting opportunities in areas where few natural perches or nest sites are found. If the configuration and location of utility structures are in areas where birds are attracted by vegetation and topographical features, the chance of electrocution and collisions increases.

Exelon complies with state and federal statutes that impose permitting and operational controls for avian protection, including the Migratory Bird Treaty Act, the Bald and Golden Eagle Protection Act and the Endangered Species Act. Several Exelon utilities maintain state-level depredation permits and USFWS Special Purpose Utility permits to manage interactions between birds and power lines. Our utilities are also members of the national Avian Power Line Interaction Committee and actively engage in avian protection methods on our electric infrastructure. Each of our utilities has a detailed Avian Protection Plan in place, which typically contain the following elements:

- Employee training around regulatory and operational requirements and department staff roles and responsibilities.
- Active and inactive nest assessment, incident tracking and management consistent with Exelon standards and regulatory requirements.
- Internal and external avian interaction notifications and reporting related to bird injuries and mortality incidents.
- Construction design standard considerations for new or modified T&D system infrastructure to enhance bird safety, including adequate spacing of conductors, insulation of ground wires, nest and perch discouragers, installation of bird flight diverters and other line marking devices and nesting platforms and covered over conductors, transformers and switches.

Exelon utilities that operate in environments with robust populations of eagles maintain raptor-focused initiatives as part of their Avian Protection Plans. These initiatives include routine raptor nest surveys for rebuilds and new construction, time of year restrictions to avoid impacts to bald eagle nests, avian-friendly design standards, where feasible, and pole retrofits or reframes to address electrocution, collision and nesting risk. Our utilities also frequently collaborate with various stakeholders to improve eagle nest success and further bald eagle conservation. Recent collaborations with state agencies have focused on gathering population data, supporting local wildlife rehabilitators, participating in eagle surveys, banding or telemetry projects and providing bucket trucks to agency wildlife biologists to access eagle nests. In 2023, ComEd reviewed every pole within a quarter mile of nests that were identified during a 2021 eagle and osprey nest surveys in order to make needed retrofits to ensure avian safety.

> Our utilities are members of the national Avian Power Line Interaction Committee and actively engage in avian protection methods on our electric infrastructure. Each of our utilities has a detailed Avian Protection Plan.

Where threatened or endangered bird species are located on or near our sites, our utilities work with regulatory agencies and interested stakeholders to develop and implement agreed-upon management plans or special mitigation tactics to reduce impacts on wildlife.

In 2022, Pepco Holdings launched its Avian Incident Management System (AIMS), a comprehensive geographic information system-based bird incident reporting and tracking database, to help meet compliance commitments on reporting and tracking birds impacted by PHI infrastructure. In 2023, AIMS was recognized as a "home run" effort by Exelon's Innovation Program, saving the company over $5 million in reliability operating and maintenance costs and well over $10 million in potential fines for avian mortality occurring in the system. In early 2023, the PHI Avian Program implemented an innovative approach to reduce collision risk for birds on transmission and distribution lines using drones to install bird diverters while the lines were energized. Advantages to this application include improved safety, reduced risk to birds and of related potential regulatory enforcement and decreased company costs.

PECO has implemented a system-wide comprehensive avian protection plan to reduce bird mortalities associated with power line interactions. This plan includes establishing new distribution line construction standards, removing or relocating nests and providing employee training on avian management. In 2023, PECO also completed an avian environmental risk assessment of its service territory to identify important bird nesting and roosting areas. Distribution circuits in these areas were evaluated for avian-safe equipment, adding devices where needed. As part of proactive measures to protect bald eagles, an inventory of bald eagle nest sites was established which included inspections of all distribution circuits within a quarter mile of the active nests and avian-safe equipment was installed where needed. Distribution circuits that experienced repeated avian mortalities were evaluated similarly and remedial measures were implemented.

Since ComEd's Avian Protection Plan's inception, over 2,000 avian diverters have been installed on ComEd transmission and distribution lines to reduce avian collisions, with drones used to install almost 300 diverters on distribution lines.

Where threatened or endangered bird species are located on or near our sites, our utilities work with regulatory agencies and interested stakeholders to develop and implement agreed-upon management plans or special mitigation tactics to reduce impacts on wildlife.

Watershed Management and Water Inventory

The ecological well-being of watersheds is linked to the social fabric, economic health and quality of life of our communities. Exelon protects the watersheds impacted by our operations, such as the Chesapeake Bay, using conservation stewardship and sustainable business practices. Comprehensive environmental stewardship strategies provide long-term guidance for identifying and addressing priority issues relevant to our business objectives, including water quality and climate change impacts.

Exelon utilities primarily source water from municipal water suppliers across our service areas. In a limited number of locations, groundwater is also used. Our primary water usage supports our office and service building locations. Since Exelon does not own any power generation, our water usage is very low in comparison to other utilities in our industry that utilize water for power plant thermal cooling. In 2023, our utility operations used a total of 60.2 million gallons of water, with 77.6 percent of total water usage being consumptive use.

Exelon Utilities 2023 Water Usage by Watershed[1]

Watershed Zone (million gallons)	Total Consumptive Use	Total Non-Consumptive Use	Total Water Use
Delaware River Basin	22.9	0.0	22.9
Chesapeake Bay	17.9	0.0	17.9
Upper Mississippi	5.9	13.5	19.4
Total (millions of gallons)	46.7	13.5	60.2

[1] Water is predominantly sourced from municipal water supplies. In a small number of locations, groundwater may be used (estimated to be less than one percent of the total use). Exelon does not make any direct surface water withdrawals and does not use any salt or brackish water sources.

Stormwater

Controlling stormwater runoff from our utility properties is an area of continued focus, particularly as weather events become more unpredictable due to climate change. Across our territories, Exelon uses green infrastructure where possible to proactively address stormwater management. Our utilities maintain stormwater management controls such as bioretention areas like rain gardens and bio-infiltration areas such as native meadows, green roofs, stormwater basins and vaults to store, evaporate and infiltrate stormwater on our properties. Native meadows are maintained at some transmission ROWs and service buildings to provide infiltration of stormwater and serve as wildlife habitat.

In 2022, BGE integrate new smart technology for a retention pond at its Windsor Mill Electric Operations Building (EOB). Retention ponds hold stormwater with the goal of reducing flooding, erosion and water pollution. The smart pond system goes even further, utilizing cloud-based technology with Amazon Web Services and real-time weather forecasts to control the release of rainwater to improve water quality, groundwater recharge, stream channel protection and flood control. In 2023, the EOB smart pond prevented approximately 62 percent of rainfall equaling over 1.3 million gallons of water from running off the site during rain events. Instead, this water was allowed to slowly recharge groundwater or evaporate from the pond. The data from BGE's EOB smart pond is provided to the University of Maryland Baltimore County's Center for Urban and Environmental Research and Education as part of an ongoing urban environment study to assess how and to what effect natural, geological processes interact with human-driven processes, such as stormwater runoff from impervious surfaces.

PECO previously installed a green roof on its Main Office Building to reduce approximately 1.3 million gallons of stormwater runoff annually from the existing structure. PECO is also in partnership with the Philadelphia Water Department to establish an effective program to ensure that the City of Philadelphia's green stormwater infrastructure is not compromised by the placement of new electric distribution poles. Recently, PECO also supported the Headwaters Riparian Restoration Project along with other local stakeholders and in 2022 received the Water Resources of Delaware River Basin Achievement Award. BGE employs the use of a trash interceptor at its Spring Gardens facility to capture trash and debris that originates from stormwater runoff from approximately 60 surrounding acres in South Baltimore. Since its installation in 2018, the Spring Gardens interceptor has prevented more than 7,000 pounds of trash from reaching the Middle Branch of the Patapsco River, a tributary to the Chesapeake Bay.

During 2023, Pepco completed an environmental stewardship project at the 53rd Street Substation focused on rainwater management in D.C. as part of the utility's Green Infrastructure Initiative. Rainfall at the site eventually flows into the Anacostia River, potentially bringing with it harmful nutrients, sediments, metals and toxins that can negatively impact aquatic ecosystems. The 53rd Street substation project included the installation of a bioretention system, which collect and clean stormwater generated on site. They also minimize erosion by reducing peak stormwater flows while treating water as it filters pollutants though layers of mulch, soil and gravel. The bioretention structures implemented by Pepco at this location were certified to generate Stormwater Retention Credits that Pepco can apply towards current and future construction-related requirements. Structures also assist with D.C.'s efforts to respond to climate change impacts, such as increased heavy rain precipitation events.

Erosion and Sediment Control

As part of our efforts to eliminate sediment migration from Exelon construction projects that cause earth disturbance, each Exelon utility implements a field inspection program to assess appropriate erosion and control measures. Permitted projects are inspected in accordance with permit requirements. In instances where projects are not subjected to regulatory permits but require earth disturbances, Exelon utilities conduct independent inspections to promote implementation of best management practices.

During 2023, BGE partnered with the Maryland Port Administration (MPA) and CSI Environmental (CSIE) to advance a flood resiliency berm pilot project at Spring Gardens through a MPA grant. The intent of this project was to demonstrate the potential value of beneficial reuse of dredged materials in the production of vegetated upland and shoreline berms using geotextile tubes. As part of the project, CSIE filled 30 geotubes with dredged materials that were allowed to dewater for approximately one month before being transported to the BGE Spring Garden campus. The geotubes were stacked into a Shoreline berm consisting of nine geotubes and an Upland berm consisting of 21 geotubes. The tubes were then planted with native flowers, grasses and shrubs. The tubes continue to be monitored monthly to ensure vegetation resiliency and structural stability after periods of flooding. The tubes have already withstood two periods of heavy inundation. Results from the pilot study will be published in 2024 and used for future coastal resiliency projects in Maryland.

Afforestation and Continued Learning About Carbon Sequestration

During 2023, the Maryland Department of Health (MDH) Springfield Hospital Center (SHC), Maryland Department of Natural Resources Forest Services and BGE partnered to replace existing lawn areas on MDH SHC property located in Sykesville, Carroll County with the creation of long-term forested areas. In 2023, BGE planted 5,700 native trees over 13 acres and will be planting the remaining 44 acres with 17,700 native trees in 2024.

The project helped the town of Sykesville receive the Arbor Day Tree City USA recognition and allowed SHC to be the second mental health facility recognized as a Tree Campus Healthcare facility by the Arbor Day foundation. Additionally, the trees will provide onsite stormwater benefits/credits. An ongoing reduction in operational costs, such as reduced mowing, is also expected. The project will also count towards Maryland's 5-Million Tree Goal outlined in the 2022 Climate Solutions Now Act.

For this project and others involving forest preservation and creation, BGE and Exelon will benefit from learning more about how these projects may provide carbon sequestration opportunities, which may support Exelon's Path to Clean net-zero operations-driven emissions goal. Such carbon sequestration and storage opportunities may help to close remaining gaps to meeting net-zero in cases where new technologies and operating practices are insufficient to eliminate residual GHG emissions-related operations.

Waste and Recycling

Across our businesses, we employ best practices to reduce, reuse and recycle waste. Many of our initiatives reduce waste generation, including contractor take-back programs, double-sided copies and black and white print default settings in the office, reusable totes in the field and outlets for refurbished meters and computer electronics. Our extensive recycling programs target conventional municipal materials like paper, plastic and metals, as well as non-conventional, industrial solid waste materials such as construction and demolition debris, modified stone from street work, utility poles and mulch material from our vegetation management. In addition to keeping waste out of landfills, these programs also reduce GHG emissions, save money, and conserve energy and natural resources.

Our utility teams continue to identify and implement innovative ways to minimize waste, such as keeping soil clean and reusing asphalt and concrete millings as utility excavation backfill. Several of our utilities remotely monitor waste and recycling containers to eliminate unnecessary pick-ups. Using cameras, utilities are able to schedule service pick-ups only when containers are full, eliminating excess pickups and in turn reducing emissions, saving fuel and increasing safety in service yards. Camera footage is also reviewed for opportunities to offer targeted waste separation training for our crews.

In 2023, our operations produced approximately one million metric tons of waste (both regulated and nonregulated), of which almost 563 thousand metric tons were recycled, for an overall recycling rate of almost 54 percent. The largest components of our recycled materials by volume were asphalt millings and soil, followed by natural tree-trimming wood materials. Hazardous waste (including polychlorinated biphenyl [PCB] wastes) amounted to approximately 1.2 thousand metric tons in 2023, of which 15.5 percent was recycled.

Types of Waste Streams Recycled at Exelon

Category[1]	Examples of What Is Recycled
Municipal	Traditional office wastes, such as paper, plastic, cardboard, aluminum and glass
Electronic	Computer and electronic equipment
Scrap Metal	Wire and cable related to the electric distribution system, metal poles, transformers and other electrical system equipment
Industrial	Asphalt millings, concrete, mixed aggregate spoils, wood poles and pallets, undifferentiated solid waste, tree trimmings, mineral and other oils
Universal	Lamps, light bulbs and lighting equipment, batteries
Hazardous	PCB-contaminated equipment and oil, flammable and corrosive liquids

[1] Waste streams are governed by federal, state and/or local regulations that may, in some cases, define waste streams and recycling requirements differently. This table is presented to provide a general overview of waste streams that are recycled across the Exelon system and is not definitively organized according to the various jurisdictional level waste and recycling regulations that exist across all of our operating areas.

Environmental Management

Exelon maintains a comprehensive EMS to cost-effectively manage environmental compliance, impact and risk. With Exelon's Corporate Environment Policy as a foundation, the EMS includes a wide range of policies, programs and practices that apply across our businesses, functions and organizational levels. Exelon prioritizes environmental considerations across its operations, targeting full regulatory compliance as a minimum level of performance. Exelon's EMS follows the ISO 14001:2015 standards, which provide the necessary steps to maintain environmentally responsible operations throughout our businesses. Exelon's EMS program implementation is verified through an accredited third-party certification body.

Exelon incorporates environmental risk management into the development of important projects such as the siting of new facilities, procurement decisions and capital projects. In order to reduce environmental risks, Exelon minimizes impacts at existing facilities by providing environmental training for workers, monitoring and reporting on environmental metrics, setting goals to drive performance improvement, conducting inspections and audits to verify the efficacy of controls, and communicating our environmental goals, programs and performance to stakeholders.

Environmental Management Goal

Maintain ISO 14001:2015 EMS certifications at each utility and at the corporate level.

2023 Status

Corporate-level and utility EMS certifications were maintained.

2024 Goal

Maintain ISO 14001:2015 EMS certifications at each utility and at the corporate level.

Monitoring Compliance Performance

We monitor, measure and report our environmental performance by tracking scenarios with potential and actual environmental impact. For potential impacts, we continue to track cases even when there proves to be no violation of an applicable environmental regulation, permit or release of a regulated substance into the environment.

Tracked cases include:

- Notices of violation (NOVs), which are formal written notifications of environmental violations from a government agency.
- Permit non-compliance events (PNCs), which are instances where a permit condition or administrative requirement was not satisfied.
- Spills of oil or chemicals that require reporting to applicable agencies.
- Non-reportable spills, including small quantities of material that can be quickly contained and do not result in significant environmental impact.

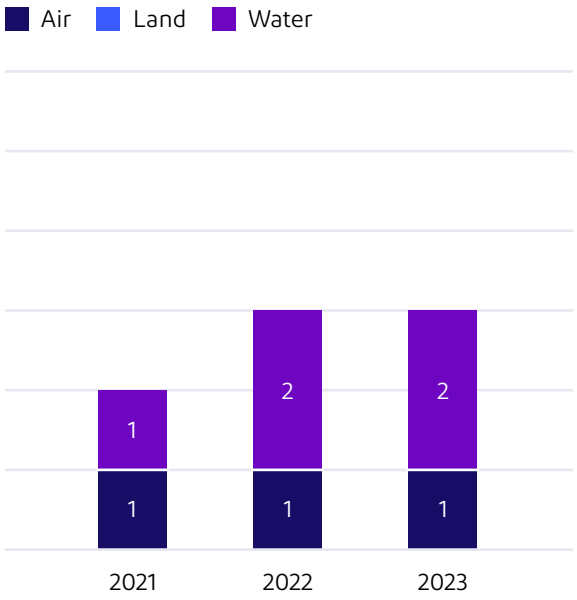
Notices of Violation: In 2023, Exelon received three NOVs from regulatory agencies:

- PECO received a NOV in April 2023 for submitting a Title V Annual Compliance Certification three days late. There was no monetary fine or penalty associated with the NOV.
- PECO received a NOV from the Pennsylvania Department of Environmental Protection for a December 2023 preventable National Response Center reportable spill of approximately 10 gallons of diesel fuel that occurred during vehicle fueling at the Warminster Service building. There was no monetary fine or penalty associated with the NOV.
- Pepco received a NOV from the D.C. Department of Energy and the Environment (DOEE) for not following proper manhole vault water discharge procedures. The discharge was documented during a December 2023 inspection by DOEE, which resulted in the NOV and a $250,000 penalty to Pepco.

Select Compliance Performance Metrics[1]

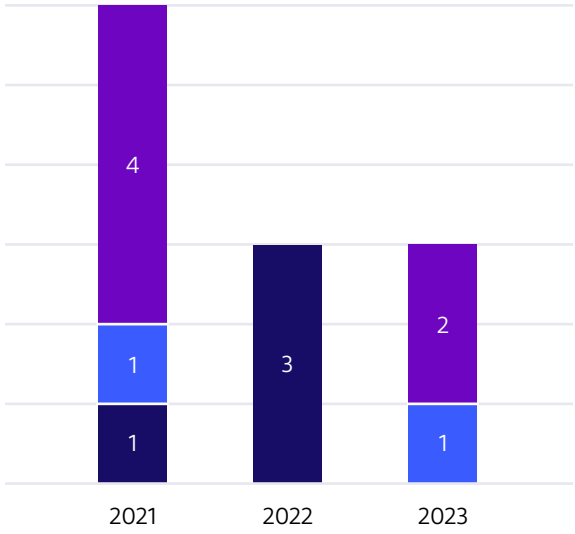
Notices of Violation (NOVs)

number of events



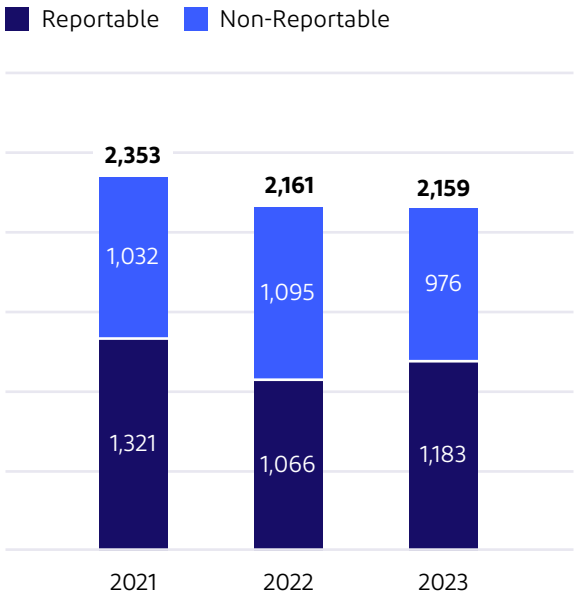
Permit Non-Compliances (PNCs)

number of events



Spills

number of recorded spills



[1] Environmental compliance data for 2021–2022 were recast to reflect Exelon utility operations only (i.e., to remove any Constellation data for time prior to our corporate separation).

In 2023, Exelon entered into one consent order to resolve alleged environmental violations:

- On December 8, 2022, Pepco received a letter from the D.C. Office of Attorney General, alleging past violations of the District's stormwater discharge and waste disposal requirements. Alleged violations related to operations at the Buzzard Point facility, a 9-acre parcel of waterfront property in Washington, D.C. occupied by an active substation and former steam plant building. The letter also claimed past violations of stormwater discharge requirements related to Pepco's district-wide system of underground vaults. On October 3, 2023, Pepco entered into a Consent Order with the District of Columbia to resolve the alleged violations without any admission of liability. The Consent Order required Pepco to pay a civil penalty of $10 million. In addition, Pepco agreed to assess the environmental conditions at its Buzzard Point facility and conduct any remedial actions deemed necessary, and to evaluate potential environmental impacts associated with the operation of its underground vaults. The Consent Order became effective on February 2, 2024.

Eliminating Equipment With Polychlorinated Biphenyls

Exelon actively manages the risk posed by electrical equipment containing PCBs. PCBs are a group of man-made organic chemicals used in some electrical equipment, such as transformers. In 1979, USEPA banned the manufacture of PCBs and required phasing out of its use. During replacement, repair and servicing efforts on our T&D networks, we eliminate equipment containing PCBs in concentrations greater than the regulatory threshold of 49 parts per million. Our electric utilities also proactively identify equipment for replacement if it is deemed to be PCB contaminated. This approach maximizes efficiency in identifying and removing potential PCBs. These replacement efforts, combined with voluntary retro-fill and reclassification programs, continue to reduce PCB-containing equipment across our operational footprint while simultaneously reducing environmental risk.

Managing Remediation at Historic Manufactured Gas Plants

Exelon utilities continue to remediate former manufactured gas plant (MGP) sites that were used primarily by our predecessor companies between 1816 and 1970. Our utilities anticipate that remediation at remaining sites will continue for several more years. Exelon utilities participate in the MGP Consortium, which allows us to leverage research and advocacy programs and lessons learned from other utilities.

ComEd received five No Further Remediation Letters from the Illinois Environmental Protection Agency for MGP sites in 2023, which recognize that ComEd successfully completed the objectives of the remediation. There are 17 former MGP sites connected to ComEd, which are not yet fully investigated and remediated. PECO continued with remedial efforts on its remaining MGP sites, including a comprehensive internal investigation for the use of alternative methods from traditional remediation to reduce community impacts. Currently, six sites remain active in the PECO program with most expected to be closed during 2026. In 2023, PECO received regulatory closure for groundwater from the Pennsylvania Department of Environmental Protection for the Ardmore—Greenfield Avenue MGP site. In 2023, BGE received an approved remedial workplan from Maryland Department of the Environment for Riverside Unit 2, which is one of four remaining open sites. DPL has identified two former MGP sites and remediation of both has been completed and approved by MDE and the Delaware Department of Natural Resources and Environmental Control; a third site is currently undergoing evaluation. We discuss the status of the utility MGP programs and remediation reserves in more detail in Exelon's FY23 10-K Environmental Remediation Matters.

Environmental Justice Principles

Exelon seeks to lead an energy transition that positively impacts all our customers, employees, business partners and communities while supporting social, environmental and economic progress. In 2022, we developed our Environmental Justice (EJ) Policy to reflect our commitment to help advance social and racial equity in communities disproportionately impacted by pollution and climate change.

Exelon is the nation's largest group of utility companies serving major metropolitan areas. As such, our utilities are uniquely positioned to help advance EJ. We seek to engage all communities impacted by our operations and we pursue new projects in an effort to maintain, expand or improve our energy delivery systems. We are committed to continuous collaboration with stakeholders to identify and address EJ concerns and support just, equitable energy transition that enables our customers and communities to thrive. Internally, we continue to educate employees and suppliers, establish processes and procedures, participate in corporate philanthropy and impact investment and prioritize opportunities for community-based collaboration.

A Safe, Innovative and Rewarding Workplace

Exelon prides itself on fostering a work environment that inspires new ideas, embraces diverse perspectives and prioritizes safety. Our practices, policies and business strategy are designed to attract and retain a diverse, talented and engaged workforce with cutting-edge skills, which enables us to best serve our customers as the energy company of the future. This focus enables us to provide our employees with opportunities related to personal and professional growth, competitive compensation and benefits and access to meaningful and critical work.

Fostering Our Commitment to Diversity, Equity and Inclusion

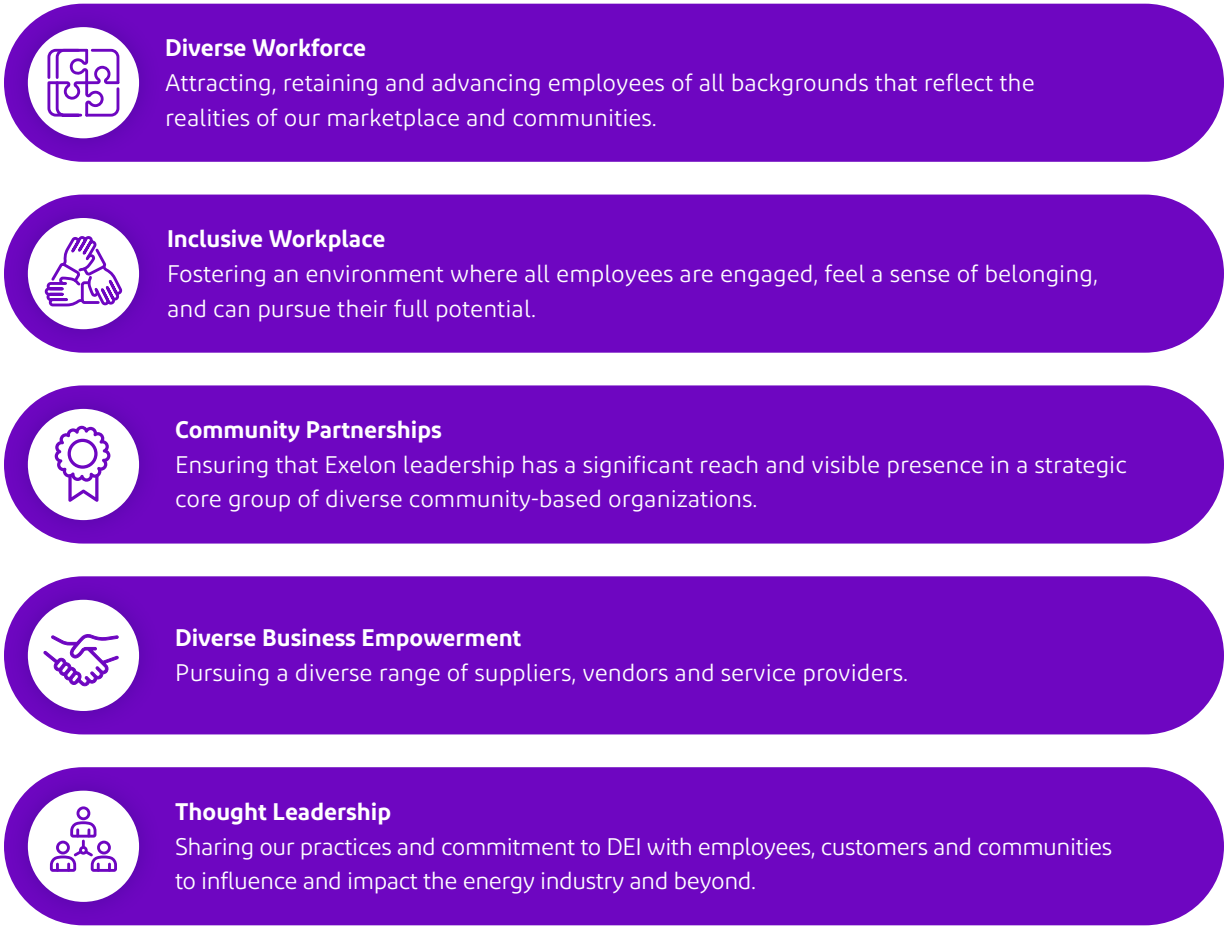
At Exelon, Diversity, Equity and Inclusion (DEI) are core values. We embrace and leverage diversity and build an equitable and inclusive culture, as we continue to innovate, grow and meet the dynamic needs of our employees, customers and communities.

We continue to evolve our culture of accountability for DEI. We track, review and discuss our DEI-related efforts on a quarterly basis with our executive leadership team. Quarterly meetings are held with leaders across the enterprise to review our progress so that we continue to advance DEI. For more information, please see the Sustainability Governance section of this report.

Exelon's DEI Framework

Exelon operates in a world rich in diversity—in race, ethnicity, gender, sexual orientation, gender identity, disability, religious affiliation, experience and thought. As depicted to the right, our program builds upon five central pillars, among others, to guide our continued work.

> Diversity, equity and inclusion at Exelon strengthen our company and communities.



DEI Performance Goal

Achieve 100% completion rate for senior managers and above of the DEI Performance Goal.

2023 Status

100% completion rate was achieved.

2024 Goal

Achieve 100% completion rate for senior managers and above of the DEI Performance Goal.

Diverse Workforce

Exelon utilizes an individual DEI Performance Goal for all management to drive DEI behavior and progress. Beginning in 2021, all management employees were required to have an annual performance goal incorporating activities to support a culture of diversity, equity and inclusion at the company. We provide employees with the resources and tools required to understand and achieve the DEI Performance Goal, which remains a critical component of our DEI accountability model.

The Exelon Board also regularly engages with management on issues related to DEI and corporate culture diversity strategies, goals and progress, diverse supplier spend and related matters.

Fostering an Inclusive Culture

Exelon's Racial Equity Task Force includes senior leaders across all operating companies, who continue to expand upon the work began in 2020. Throughout the year, the Task Force reinforced Exelon's equity framework both internally and externally and advanced inclusion-based programming. The Task Force also facilitates advancement, expansion and awareness building of critical programs delivered across the organization to eliminate barriers and create opportunities for our employees, vendors and the communities we serve.

To advance Exelon's DEI strategy, we established Diversity Leadership Councils with the specific goal to deepen and expand our workforce pipeline to attract and retain African American, Latinx and Pan-Asian leaders. With over 80 leaders across councils, meetings are held monthly to create and advance strategies to drive equity initiatives and advocate for the development and sponsorship of future leaders. Employee engagement, advancement and retention are integral to each council's strategies and programming with established leadership development programs to strengthen the pipeline of diverse talent prepared for leadership roles within the organization. In addition, the Councils serve as critical partners to our executive leaders as they determine appropriate responses to issues impacting our employees and communities.

Access to DEI Resources

All employees have one-click access to tools and educational materials that help them expand their DEI capabilities through a dedicated intranet site. This internal website provides information on DEI partner organizations, Employee Resource Groups (ERGs), event calendars, toolkits, articles and webinars.

DEI Quarterly Webinars

For the eleventh consecutive year, Exelon offered live DEI quarterly webinars to all employees. The webinar series continued to be a highly attended learning and development offering, where participants gained insights and learned valuable skills on the power of inclusion.

Inclusive Leadership Programming

To further our inclusive leadership journey, over 150 leaders completed inclusive leadership training facilitated by an external DEI expert in 2023. This training provided an interactive and engaging learning experience to expose participants' thoughts, feelings and mindsets to more in-depth DEI topics, such as unconscious bias awareness and understanding systemic advantage, leading to changes in behavior and ultimately an improved culture of inclusion.

In 2023, Exelon continued to leverage its inclusive Leadership Model to empower employees at all levels to turn inclusivity into action. The seven pillars of the Exelon Inclusive Leadership Model are self-awareness, curiosity, courage, adaptability, collaboration, authenticity and change agent.

For more information on Exelon's DEI progress and impact, please see our Diversity, Equity and Inclusion webpage.

National STEM Diversity Organization Partnership

We partner with several national diversity organizations to expand our pool of talent and identify talent in the science, technology, engineering and mathematics (STEM) fields, including the Society of Women Engineers (SWE), the Society of Hispanic Professional Engineers (SHPE), National Society of Black Engineers (NSBE) and the Society of Asian Scientists and Engineers (SASE). We engage with these organizations at regional, local and campus levels. These partnerships help us connect with diverse talent to discuss career opportunities, promote Exelon as a diverse and inclusive organization and provide professional development and recognition opportunities for our current employees.

Internships and University Recruitment

In 2023, Exelon hosted its largest intern class to date, with 400 participants, of which over 70 percent were diverse. Through our internship program, we aim to build a diverse talent pipeline for future entry-level jobs and expose young talent within our communities to valuable applied experience and career opportunities in the energy industry. Exelon leveraged the partnerships mentioned above to help source and attract top talent into our internship program. As our geographic footprint expands, we continue to explore opportunities for increased automation and efficiency in our student recruitment process.

Military and Veterans Initiatives

In 2023, we expanded our focus on hiring candidates with military experience. Our partnerships with organizations like RecruitMilitary connect us to a broad network of job-seeking veterans and help those job seekers connect with Exelon at military bases, career fairs and via online media. We also ensure our job vacancies are posted on military veteran career sites. Underscoring Exelon's commitment to hiring those who have served in the military and supporting military families, our CEO, Calvin Butler, signed the Employer Support of the National Guard and Reserve statement of support in 2023. We are proud that in 2023, over 5 percent of our total external hires were veterans.

Disability Outreach

Exelon welcomes the talents and skills that individuals with disabilities bring to our workplace and our communities. Through our enterprise-wide disability outreach strategy, we expand our talent pipeline and company inclusivity efforts. Our strategy comprises three key elements: promoting Exelon's open jobs, increasing brand recognition and creating and supporting a disability-inclusive culture. In 2023, we continued to partner with Disability:IN, a nonprofit organization providing corporate resources for creating an inclusive culture, to assist with our disability inclusion efforts. We continue to learn and share best practices through disability-focused events and partnerships.

2023 Employee Resource Groups Update

Exelon has 10 ERGs that enable our DEI strategy. The Mosaic ERG also consists of three sub chapters; The Network of Exelon Immigrants and Second Generation, the Caribbean Diaspora Employee Resource Alliance, and the Exelon Support of Native America Progress. With 42 chapters across the enterprise, our ERGs delivered over 800 programs and initiatives in 2023. ERG Program offerings help build the DEI capabilities of employees across the organization, raise awareness of critical issues impacting our employees, contribute to our culture of belonging for all employees, support our communities through volunteer events and partnerships and celebrate the importance of the diverse cultures, experiences and perspectives of our members. We are proud of how the ERGs have continued to advance and contribute to our company-wide DEI journey.

aarg
Asian American Resource Group

dyp
Developing Young Professionals

eaara
Exelon African-American Resource Alliance

eco team

emac
Exelon Military Actively Connected

enabled
Exelon Network For Awareness Benefiting Leaders & Employees About Disabilities

mosaic

new
Network of Exelon Women

ole
Organization of Latinos at Exelon

pride
Exelon Employee Resource Group

2023 DEI Recognition

Disability Equality Index Best Places to Work for People with Disabilities (2023). The nation's leading disability benchmarking tool focuses on companies who advance disability inclusion as a business imperative. In its first year competing, Exelon was recognized as an employer of choice for individuals with disabilities.

In 2023, Exelon was honored for the third consecutive year with the **Center for Energy Workforce Development's "Chairman's Award for Workforce Development"** CEWD's highest honor recognizes companies for excellence in general workforce development leadership, including excellence in promotion of 21st century energy careers; achievements in diversity, equity and inclusion; innovations in training; and enhancements to workplace culture and operations to retain a strong workforce.

Exelon named to the **2023 Black Enterprise Best Companies for Diversity, Equity, & Inclusion**. This recognition identifies the publicly traded corporations dedicated to creating more dynamic workforces, diverse corporate governance, expansive supply chains, and inclusive management.

Exelon named to the **Just Capital, 2023 Rankings of America's Most JUST Companies**. Each year, JUST Capital ranks the largest U.S.-based corporations based on polling of what the American public most prioritizes when it comes to just business behavior on the issues that matter most to Americans, based on public polling.

DEI External Partnerships

ASCEND

Catalyst

DEI Board

Disability:IN

ERG Leadership Alliance

Executive Leadership Council

Human Rights Campaign

National Organization on Disability

Out & Equal

Seramount

Tanenbaum

Employee Diversity[1][2]

Category	2022 Employees	2022 % of Total	2023 Employees	2023 % of Total
Female[3]	5,300	27.8%	5,637	28.2%
People of Color[3]	7,519	39.4%	8,174	40.9%
Age <30	2,026	10.6%	2,295	11.5%
Age 30-50	10,548	55.3%	11,189	56.1%
Age >50	6,489	34.0%	6,478	32.5%
Full-Time	18,911	99.2%	19,781	99.1%
Part-Time	152	0.8%	181	0.9%
Total Employees	19,063	100.0%	19,962	100.0%

[1] Employees as of 12/31 of listed year. Exelon publishes its annual EEO-1 report on its corporate website.

[2] In 2023, Exelon's total employee turnover rate was 5.7 percent (voluntary turnover rate was 4.7 percent).

[3] Based upon self-disclosed information from employees.

Management Diversity[4]

Category	2022 Employees	2022 % of Total	2023 Employees	2023 % of Total
Female[3]	961	31.7%	1,159	33.3%
People of Color[3]	1,086	35.8%	1,303	37.5%
Age <30	29	1.0%	21	0.6%
Age 30–50	1,715	56.6%	2,045	58.8%
Age >50	1,286	42.4%	1,410	40.6%
Within 10 Years Of Retirement Eligibility	1,787	59.0%	1,998	57.5%
Total Employees in Management	3,030	100.0%	3,476	100.0%

[4] Management is defined by EEO Categories "Executive/Senior Level Officials and Managers" and "First/Mid-Level Officials and Managers."

Our Talent Strategy

At Exelon, we recognize that our employees are our most valuable asset. We encourage employees to bring their authentic selves to work, and we strive to support and enable them at every stage of their career and personal lives. With robust and progressive benefits and wellness programs, competitive compensation, and a culture driven by diversity and giving, we seek to attract highly qualified and diverse talent, which we then continue to develop, engage and retain.

Attracting Top Talent

Talent Acquisition at Exelon brings in the talent that enables us to lead the energy transition. We attract and hire future company leaders who share our vision for a brighter, equitable and more sustainable future. Once onboarded, we continue to invest in the development, engagement and retention of our highly talented and motivated workforce.

In 2023, we continued to build a strong and qualified pipeline of talent with a renewed commitment to diverse and military hiring. We developed and continued valuable partnerships with various military recruitment organizations, local community organizations and key colleges and universities, including Historically Black Colleges and Universities (HBCUs). We attended national conferences with organizations including SWE, the SHPE, NSBE and the SASE. In addition, we amplified our employee value proposition within social networks and communities through targeted advertising, networking and educational events, social media, volunteer and sponsored events, robust video and marketing materials and an employee referral bonus program.

> In 2023, we continued to build a strong and qualified pipeline of talent with a renewed commitment to diverse and military hiring.

Exelon's Talent Management

Exelon's integrated talent management process identifies, develops, engages and retains employees so that the organization has a robust and diverse pipeline of talent to drive business results. Employee and leadership development was a key talent management focus area in 2023. We assessed leadership potential and identified possible succession candidates for key leadership roles as part of our annual business talent review process. This work helps to drive targeted and meaningful leadership development throughout the year.

In 2023, we launched our new Powering People brand and one-stop development resource portal to solidify the organization's commitment to employee development and career growth. The portal offers opportunities to employees at every level to build leadership, professional and technical capabilities. New development offerings available to all employees included an expanded portfolio of vendor-led professional development offerings and no-cost webinars facilitated by business leaders, a career management monthly webinar series, a self-paced leadership exploration program, resources to work and lead in a hybrid environment and an enterprise-wide mentoring program. The mentoring program currently has 2,500 employees participating as either a mentor and/or mentee. More than 9,000 participants took charge of their development by participating in the Powering People portal in 2023.

Through Linkedin Learning, employees were provided the opportunity to customize their professional development with access to thousands of self-paced courses from business to technology to functional-specific skills. Employees can search content based on their current or aspirational role and skills of interest or enroll in courses aligned with Exelon's core competencies and key focus areas. In 2023, 2,200 employees participated in LinkedIn Learning.

Exelon also launched Power to Lead, a new suite of leadership development programs including Emerging Leaders, New Leader Essentials for new-in-role first-time supervisors and managers, Next Level Leadership for high-potential managers to prepare for a senior manager role and Senior Manager Leadership Excellence for first-time senior managers. Over 500 employees completed these targeted leadership development programs.

ExecOnline, a virtual leadership development offering from the world's top business schools, was provided to senior managers, directors and leaders in certain high-potential development programs. A new 360-assessment was also launched to support the development of our high-potential leaders.

Moving into 2024, Exelon will continue to expand the development offerings in the Powering People portal with 52 unique offerings and further promote participation in our enterprise-wide mentoring program. We will also launch two new development programs to address the unique career challenges that women face.

Employee Development and Training

Corporate

Exelon corporate offers employee and leadership development opportunities to drive career growth for all levels to build our bench strength and leadership effectiveness. Our focus on building a diverse leadership pipeline includes ensuring opportunities for targeted skill development, preparing high-potential future leaders to continue to expand their impact and setting up new leaders for success as they take on new levels of responsibility. To drive organizational consistency, we leverage the enterprise-wide catalog of options for learning and development, while supporting unique, intact team needs with innovative solutions. As a result of the significant organizational change that corporate leaders have experienced over the last two years, we have continued our focus on employee engagement and leader support through efforts such as new leader integrations and team transitional meetings. Our targeted focus on specific leader/team needs allows us to support learning, growth and overall engagement of each of the corporate groups.

BGE

BGE continued to emphasize equitable talent development and awareness while staying dedicated to DEI efforts. BGE's development approach focused on ensuring all employees in the organization had accelerated opportunities to succeed. BGE employees were supported in their development of the core competencies, technical skills, leadership behaviors and field training. Our targeted vehicles meet employees where they are, allow opportunities to thrive and foster a talent pipeline that sets our organization up for success and future growth. Driven by feedback from an employee engagement survey, BGE launched its first Grow week in 2023, providing developmental opportunities for all BGE employees on a variety of topics. Over 1,000 employees were reached through this pilot. Efforts in 2023 also focused on a robust college internship program of over 25 targeted events, yielding 85 percent offers extended, of which 89 percent were accepted. BGE continues to focus on increasing intern-to-full-time conversion rates and providing a meaningful experience for mutually beneficial internships.

ComEd

In 2023, ComEd showcased its commitment to DEI, professional leadership growth and robust leadership pipeline development. ComEd successfully completed the inaugural "Launching Inclusive Future Talent" program, an initiative dedicated to accelerating its diverse leadership pipeline. A two-week Career Expo was attended by over 1,700 employees and included professional and leadership development offerings, business intelligence sessions and coffee breaks to learn about career paths from leaders. As part of the Expo, ComEd hosted a Career Day where 1,000 employees gathered in the NOW Arena to engage with over 100 department booths, fleet tours and drone demonstrations. We also launched the "Power to Lead Series," focused on cultivating leadership skills of new leaders. Lastly, we held the "21st Century Leadership: Building Our Future" for mid-level managers focused on culture alignment, strategy and building business intelligence.

PECO

PECO continued to focus on new leader integration and employee career management in 2023. PECO rolled out a new in-person training and networking program for new people managers that focused on the tactical side of leading and managing performance, as well as exploring various available HR resources and support. The company also continued to reenergize efforts to support all employees in the management of their careers through webinars, seminars and company-wide events aimed at career planning, Individual Development Plans, mentoring and career exploration. These leadership sponsored activities supported PECO employees' career goals and interests.

PHI

PHI continued to promote a strong culture driven through leadership in 2023. Employee development was prioritized through our ongoing Goal Setting, Resource Education, Ongoing Development and Winning Teams development initiatives, with over 4,900 employees participating in 2023. The PHI Opting-in series continued to create space for employees to delve into DEI and racial injustice topics with over 1,000 participants. In addition, the mentoring program served as a robust forum for development with 67 percent of eligible employees participating. PHI continued to invest in internship programs as a pipeline for future talent. In 2023, PHI had 11 co-ops and 66 college interns, and extended 35 job offers to rising seniors upon graduation. Leadership development programs continued to evolve to meet our pipeline development needs. Targeted leader nominated development programs are utilized so that leaders are developed in their current roles and are growing to be ready for future leadership roles. Employee volunteerism and support of significant cultural events including the annual D.C. Pride Parade, a Ramadan Iftar educational session and dinner and a day at the African American Museum honoring Juneteenth.

Engaging Talent and Listening to Our Employees

To support and retain our talent, we must create an environment where our workforce can achieve its highest potential. These conditions are necessary for our employees to remain engaged and have a rewarding experience at work. One way that we measure and manage performance is by frequently collecting employee feedback about their experiences. Periodic surveys help us better understand and address any issues raised by our employees. The surveys measure employee engagement, development, innovation, DEI, safety and other aspects of the employee experience.

Between full Engagement Surveys, we issue brief employee engagement pulse surveys that allow employees to provide feedback on targeted engagement topics and the overall employee experience at Exelon. Our most recent pulse survey was issued in the fall of 2023 and garnered a response rate of 82 percent, with 79 percent of employees indicating they are proud to work at Exelon and 81 percent indicating that they are proud of the Company's involvement in the community. While we are pleased by these results, we commit to continually improving employee engagement to respond to employees' evolving expectations. Other pulse survey questions ask employees for their views on engagement, communications, ethics, Diversity, Equity and Inclusion, and change management.

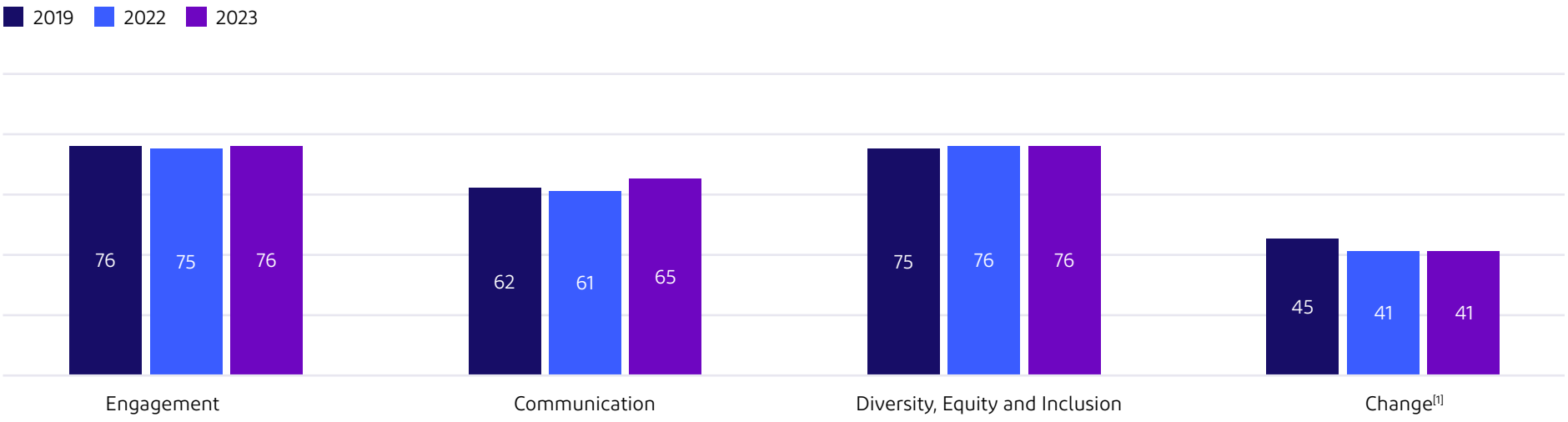
As leaders share survey results with employees and take action to address the findings, questions for future Employee Engagement and pulse surveys will be updated as we continue our work to understand and improve the employee experience at Exelon.

79%

of employees indicating they are proud to work at Exelon and 81 percent indicating that they are proud of the Company's involvement in the community

Employee Engagement Survey Results

(Percent Favorable)



[1] Single item: Change processes are well manged within this company. External norm for this item is 59% favorable.

Progressive Workforce Policies

Paid Leave

Exelon is committed to offering industry-leading comprehensive paid leave benefits to help employees spend moments that matter with loved ones. At Exelon, birthing parents are eligible to receive up to 16 weeks of paid leave and non-birthing and adoptive parents receive up to eight weeks of paid leave. Employees are also eligible for two weeks of paid leave to care for a family member with a critical illness. In 2023, Exelon approved 544 employees for bonding leave and/or primary caregiver leave, as well as 169 employees eligible for parental leave.

Equal Pay

Fair and equitable pay is an integral component of our commitment to DEI. We recognize that pay equity is a key focus for our employees, customers, shareholders, and other stakeholders. Through compensation policies as well as annual and other periodic compensation reviews, including for market competitiveness, we seek to pay all employees fairly. To advance our pay equity goals, Exelon conducts an annual analysis on gender and racial pay equity. We also review hiring and promotion processes with the goal of neutralizing any potential bias, including unconscious bias. Exelon is committed to continuing to focus on ensuring fair pay.

Tuition Reimbursement

Continued education leads to a more engaged, skilled and productive workforce. We support our employees in their educational endeavors to attract and retain people who are committed to personal and professional development. For employees who are pursuing professional credentials, we reimburse up to $10,000 annually for undergraduate or professional certification courses and up to $15,000 annually for graduate courses.

Employee and Labor Relations

Exelon has a highly engaged, innovative and collaborative workforce. As of December 31, 2023, 43 percent of our employees were represented by labor unions. Within the represented population, Exelon has successfully negotiated 10 collective bargaining agreements (CBAs) that help balance the needs of our company with the interests of our employees. In 2023, Exelon successfully negotiated and renewed a CBA at BGE with the International Brotherhood of Electrical Workers (IBEW) Local 410 covering 1433 employees, in addition to renewing a CBA at ACE with IBEW Local 210 covering 380 employees. The renewal is inclusive of the additional agreement negotiated in 2022 with IBEW Local 210 covering 16 employees.

Health and Well-Being

At Exelon, we are committed to offering a wide range of benefits and programs to help employees and their families focus on their physical, emotional and financial well-being:

- **Physical:** Medical (including telehealth services, diabetes management, cancer care guidance, digital physical therapy, medical travel benefit, and gender-affirming care coverage), dental, vision, disability, fitness reimbursement, discounted fitness partnerships, lactation and breast milk shipping support and digital infertility app access.
- **Emotional:** 24-hour access to the Employee Assistance Program, seven free counseling sessions per issue, virtual therapy, self-care on-demand tools, mental health webinars, and mental health training certification.
- **Financial:** Life insurance, tuition reimbursement, adoption assistance, tax advantaged accounts, group legal support, one free attorney consultation, two no-cost telephonic money coach sessions, financial planning calculators and advisory services, employee discounts, back-up child and elder care support and smart health care shopping resources.

> In 2023, Exelon approved 544 employees for bonding leave and/or primary caregiver leave, as well as 169 employees eligible for parental leave.

Workplace Safety and Management Performance

Promoting a Culture of Safety and Health

At Exelon, we integrate safety and health into every level of our company, beginning with each individual employee. Every day, our employees perform a wide array of critical work activities, ranging from routine system maintenance to securing electric transmission and distribution lines after storms. Through the strength of our safety programs and the commitment of our employees, Exelon achieves a high level of safety performance. Our executive-level Safety Council assesses strategic safety issues, works to improve safety performance, coordinates resources and establishes safety priorities and programs.

Exelon's Corporate Safety Policy articulates our dedication to safety. The Exelon Safety Peer Group, consisting of safety managers, corporate safety managers, industrial hygiene administrators and legal and medical professionals, supports safety program implementation. The group works collaboratively to seek out and identify successful pilot programs or new practices to be adopted by the entire corporation.

We reinforce safe work practices and identify potential risks before an incident occurs through peer-to-peer, first-line supervisor and manager safety observations. By recording safety observations, documenting near misses and tracking incident trends, we systematically identify issues and pinpoint improvement opportunities.

Above all else, our most important safety and health goal is to build systems that control hazards and eliminate employee and contractor serious injuries and fatalities. On our way to achieving that goal, in 2023, Exelon had no employee or contractor fatalities.

Our Safety Culture

A key component to a successful safety culture and prevention of safety incidents is engagement and management from within the workforce. At Exelon, numerous programs exist across our operating companies to ensure two-way communication between leadership and workers. All of our utilities engage in the Value Based Engagement program, which assesses company culture through engagement of employees with higher-level leaders to routinely survey the alignment of safety values across the workforce. Additionally, workers participate in various forums such as Safety Councils, Safety Best Practice Initiatives and Peer-to-Peer Observations.

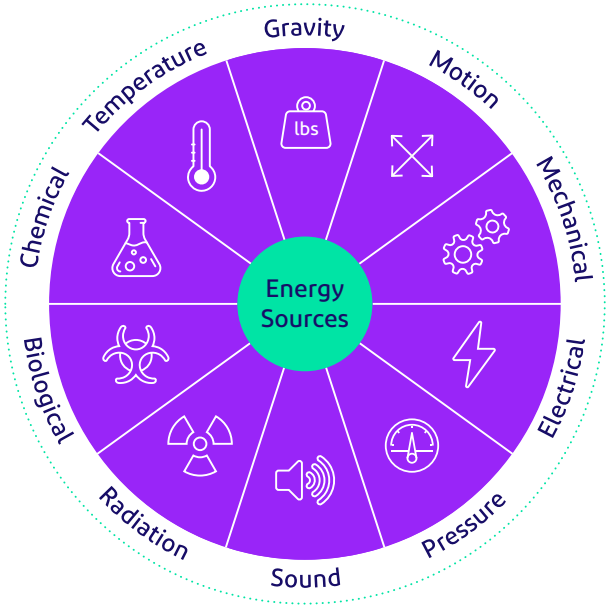
Elimination of Serious Injuries and Fatalities

Traditionally, safety performance has been measured using Occupational Safety and Health Administration (OSHA) Recordable Rate. Across the industry, total injury rate has been declining, yet the fatality rate has remained steady. In 2023, Exelon engaged with a cross industry team at Edison Electric Institute (EEI) on two key strategic initiatives: the Power to Prevent Serious Injury and Fatality Strategy and the Future of Safety Measurements. The vision of these strategies is to eliminate serious injuries and fatalities. In furtherance of this goal, industry organizations, including EEI, are adopting the Construction Safety Research Alliance's serious injury and fatality principles, which focus on high energy hazards that are more likely to cause serious injuries and fatalities, as well as defining safety by the presence of safeguards rather than the absence of injuries. Exelon has focused on evolving the conversation around safety to discuss high energy incidents and prevention of these incidents. Additionally, safety metrics were aligned around the Serious Injury and Prevention strategy and performance monitoring tools were created around the presence of safeguards.

Energy-Based Safety

Fifty-seven utilities are on the energy-based safety journey with Exelon. At Exelon, energy-based safety has been fully implemented with the use of the Serious Injury Classification and Learning model across our utility companies. We have incorporated the Energy Wheel into pre-job briefs to drive focus and conversation around high energy hazards. A mobile-friendly platform for energy-based observations was developed in 2023 for full implementation in 2024 where all field-based first line supervisors will proactively perform assessments of safeguards. These assessments will feed into a new monitoring metric called High Energy Control Assessment (HECA), which will continue to drive the culture of safety at Exelon.

Strategies to Eliminate Serious Injuries and Fatalities



Safety Goal

Achieve zero employee and significant[1] contractor fatalities.

2023 Status

Exelon experienced zero employee fatalities and zero contractor fatalities.

2024 Goal

Achieve zero employee and significant contractor fatalities.

[1] Significant contractors reflect those covered by Exelon's OSHA recordable rate reporting for contractors that exceed certain spend levels and that work on the electric and/or natural gas T&D system.

Safety Management

We prioritize health and safety performance improvement through our comprehensive safety management systems and strategic initiatives for continuous improvement in safety programs and culture. We conduct risk assessments, track and investigate incidents and implement corrective action programs to foster a learning culture and advance our safety programs. The executive-level Safety Council and Safety Peer Group review assessments, performance metrics and benchmarking results and recommend targeted safety initiatives. In 2023, the Safety and Training Peer Groups, comprising Exelon Utilities' Safety and Training managers and directors, completed 12 strategic initiatives to improve safety programs and safety training with a focus on safety methods, industrial hygiene excellence, training centers of excellence and a safety culture that fosters learning and continuous improvement. Four of the strategic initiatives are part of Exelon's Adopting Safety Best Practices program, created in 2016 to proactively assess specific work practices and align on the best practice and approach to be used by all Exelon operating companies. Prioritization of work practices is based on the frequency of task and high energy exposure with alignment achieving improvement in safeguards.

We enhance our safety program through industry benchmarking with our peers, evaluating new technologies and seeking to better leverage data to mitigate hazardous conditions and reduce injuries. We collaborate closely with the EEI and the Electric Power Research Institute on industry safety initiatives as well as expanding our safety benchmarking to include larger companies outside our industry.

Exelon is a seven-year member of the Campbell Institute, a group of leading companies from the National Security Council regarded as thought leaders on environmental, health and safety (EHS) issues. Exelon works with the Campbell Institute in the five major focus areas of employee well-being, leading EHS indicators and data analytics, serious injury and fatality prevention programs, sustainability and contractor management.

Safety Performance

While Exelon's OSHA recordable safety performance saw an increase in 2023, experiencing 245 OSHA recordable incidents, we achieved our goal of zero employee and contractor fatalities and reduced high-energy serious injuries by 50 percent. Exelon remains committed to its Serious Injury and Fatality prevention strategy, with the new High Energy Control Assessment (HECA) monitoring metric driving continuous improvement of safeguards to control hazards, transitioning safety conversations to serious injury prevention and galvanizing our workforce to anticipate and recognize potential workplace hazards.

Exelon coordinates benchmark efforts to leverage best practices and improve the safety of our drivers. In 2023, Exelon employees drove more than 74 million miles in a combination of Exelon-owned, employee-owned and rental vehicles. The most common type of accident, in which Exelon employees were not at fault, involved a stopped Exelon vehicle being struck by another's vehicle. The most common accident type, where Exelon employees were at fault, involved striking stationary objects at low speed. We will continue to work to prevent accidents and near misses due to these types of incidents and pilot technologies that improve driver safety.

> Ensuring that our contractors return home safely is as important as our efforts to safeguard our own employees.

Exelon Employee Safety Performance[1]

	2021	2022	2023
OSHA Recordable Rate[2]	0.94	0.90	1.16
OSHA DART Rate[3]	0.67	0.70	0.87
OSHA Lost Time Rate[4]	22.88	19.19	26.58
OSHA Lost Time Incident Rate	0.61	0.55	0.59
Exelon EEI Serious Injury Incident Rate[5]	0.07	0.06	0.09
Exelon's Contractor OSHA Recordable Rate	0.61	0.49	0.49

[1] Safety performance data for 2022 is based upon Exelon's post-separation workforce. Data for 2021 reflects incidents and employee headcount for Exelon utility operations and corporate-level workforce under Exelon's previous structure and may differ from previous reports.

[2] The number of work-related injuries or illnesses requiring more than first-aid treatment per 200,000 work hours.

[3] The number of work-related injuries or illnesses that result in days away from work, restricted work or job transfer, per 200,000 work hours.

[4] The number of days away from as a result of work-related injuries or illnesses, per 200,000 work hours.

[5] The EEI Serious Injury Incident Rate is a benchmarkable metric of significant and fatal injuries shared by EEI member companies and includes injuries related to both high- and low-energy events.

Ensuring that our contractors return home safely is as important as our efforts to safeguard our own employees. In 2023, Exelon's contractors worked more than 28 million hours in support of our operations. We expect our contractors to meet our high standards for safety and implement best practices that go beyond regulatory minimums. Before selecting contracting partners, Exelon evaluates both their safety and environmental performance. We provide contractor safety orientations and employ human performance error reduction tools to minimize incidents. We track contractor OSHA-recordable rates and review them monthly.

Each year, we set a safety performance goal for all major contractors to match or improve on prior-year performance. We also periodically conduct audits and assessments to review our contractors' adherence to our safety program requirements. When working with contractors that have higher recordable rates, we require them to develop a course of action to address safety deficiencies, monitor their work more frequently and terminate contracts due to poor safety performance where necessary. In 2023, our contractor OSHA recordable rate was 0.49, which matched 2022 performance.

Corporate Governance

Our governance structure upholds our dedication to integrity and sustainability. Our designated leadership teams actively evaluate and track our efforts as we strengthen our policies, programs and communications related to priorities such as human rights, supplier diversity and stakeholder engagement. By integrating these values throughout our supply chain with Board-level oversight and direction, we can drive progress, monitor risks and enhance accountability.

Board Oversight

Investor Engagement

Sustainability Governance

Enterprise Risk Management

Compliance and Ethics

Sustainable Supply Chain

Board Oversight

The Corporate Governance Committee of the Exelon Board of Directors is tasked with overseeing sustainability and climate change strategies and efforts to protect and improve the environment. In addition to regular engagement with management, the Corporate Governance Committee reviews and provides input on an annual report from management on issues such as our GHG emission reduction goals, strategies for a decarbonized economy, and investor interest in sustainability practices and reporting. While the Corporate Governance Committee has primary oversight, the interdisciplinary nature of these issues leads to discussions about Exelon's efforts in managing these topics by the other Board-level committees as well. Because sustainability is a core part of our business strategy, environmental, climate-related, and other sustainability topics are inherently part of the full Board's discussions on many topics, including long-term planning, financial risks, policy issues, and other transformational changes occurring in the energy industry.

With the exception of Exelon's President and CEO, all members of the Board are independent under applicable laws and the listing standards of the NASDAQ Stock Market, LLC, as incorporated into the Independence Standards for Directors in Exelon's Corporate Governance Principles. Our Board is composed of nine members including four women and four racially or ethnically diverse members with an average director tenure of approximately 2.6 years.[1] For more information on Exelon's governance, please see our 2024 Proxy Statement and the Corporate Governance section of our website.

Shareholders and other interested persons can communicate with any member of the Board of Directors, or the independent directors as a group, by writing to them at Exelon Corporation, Attn: Corporate Secretary, 10 South Dearborn Street, P.O. Box 805398, Chicago, IL 60680-5398. The Board has instructed the Corporate Secretary to review communications initially and transmit a summary to the directors and to exclude from transmittal any communications that are commercial advertisements, other forms of solicitation, general shareholder service matters, or individual service or billing complaints. Under the Board policy, the Corporate Secretary will forward to the Directors any communication raising substantial issues. All communications are available to the Directors upon request.

[1] As of 04/30/2024.

Board of Directors: Key Statistics[1]

88% independent

44% women

44% ethnically or racially diverse

44% black
56% white

2.6 average tenure

62.2 average age

[1] Several updates to Board membership occurred in 2023. This table, and Board descriptions in this report, reflect the Board as of 4/30/2024.

Investor Engagement

In addition to quarterly earnings conference calls and press releases, Exelon leadership connects directly with investors to discuss Exelon's governance, compensation and sustainability practices. In 2023, we contacted the holders of nearly 50 percent of our shares outstanding with offers to engage. Portfolio managers and governance professionals for a significant cross-section of our shareholder base accepted this offer, representing approximately 42 percent of Exelon's outstanding shares.

Feedback received from shareholders and other stakeholder groups is shared with each Board Committee and the Board, as appropriate, on a regular basis throughout the year.

Exelon's Investor Relations staff regularly engages with investment professionals to discuss Exelon's financial and operational performance and facilitates access to Exelon leadership and subject matter experts at investor conferences and other forums. Exelon also provides information on important financial, policy and market updates at the Edison Electric Institute annual financial conference.

Sustainability Governance

As a key component of Exelon's success as a business, we manage sustainability at the highest levels of the company. Designated leadership and dedicated team members work to ensure that we are moving in the right direction by regularly evaluating our sustainability goals, measuring our performance and assessing our impacts. Led by our Chief Strategy and Sustainability Officer, our sustainability team resides in our corporate strategy and innovation function.

Exelon's executive-level Sustainability Council is comprised of leaders from across the enterprise who work together to guide the development and implementation of Exelon's sustainability strategy, programs and disclosures. The Council also advises Exelon's Executive Committee on all sustainability-related issues.

Exelon's Board of Directors and several of the Board's committees hold specific responsibilities related to Exelon's sustainability disclosure, performance and programs. The Sustainability Governance at Exelon chart summarizes these roles.

Sustainability Governance at Exelon

Board of Directors

- Oversees all sustainability issues not specifically delegated to a committee
- Evaluates climate change related business risks and investment opportunities
- Oversees cybersecurity
- Engages in ongoing discussions around diversity, workforce development and corporate culture
- Receives annual report on diversity initiatives and diverse suppliers
- Reviews corporate philanthropy and political contribution reports

Audit and Risk Committee

- Reviews SEC disclosures related to human capital management, environmental and cybersecurity risks
- Oversees finance organization and auditor's commitments to diverse team

Talent Management and Compensation Committee

- Oversees the Company's overall compensation philosophy and strategy in alignment with Exelon's strategic and operating objectives
- Oversees policies related to talent development, DEI and corporate culture
- Oversees matters related to human capital management, including talent acquisition, development, and retention; employee engagement and well-being; performance management; and pay equity reviews

Corporate Governance Committee

- Oversees sustainability and climate change strategies and efforts to protect and improve the environment
- Oversees compliance with policies and procedures related to corporate political contributions
- Reviews corporate philanthropy

Operations, Safety and Customer Experience Committee (new committee in 2024)

- Oversees strategies and policies related to operations, including operational reliability, resiliency, business continuity and emergency responses; operational technology; and physical security
- Oversees strategies and policies related to health and safety, including safety culture, goals, and risks and significant operational and health and safety incidents
- Oversees strategies related to enhancement of customer experience

Executive Committee

The Executive Committee advises the Chief Executive Officer on matters including corporate, operating company and practice area strategies, resource allocation and other strategic and operational matters. The executive-level Sustainability Council keeps the Executive Committee apprised of sustainability issues, expectations and strategic opportunities to meet customer and community interests in programs, performance and disclosures. The Council is chaired by Exelon's Chief Strategy and Sustainability Officer in recognition of the integral nature of sustainability for Exelon's business strategy, communities and customers.

In 2023, the Board's Talent Management and Compensation Committee approved an enhanced Annual Incentive Plan (AIP) for executive compensation that adds a new Responsible Business modifier where 10 percent of the overall AIP payout for each named executive will align with achievement of specific environmental and social measures related to Exelon's progress on its Path to Clean and Diversity, Equity and Inclusion (DEI) goals. Moving forward, the Talent Management and Compensation Committee will conduct a holistic evaluation of Exelon's performance based on:

- **Environmental:** Goals linked to the quantitative achievement of Exelon's Path to Clean goal to reduce aggregate, total operations-driven greenhouse gas (GHG) emissions by 50 percent by 2030 from a 2015 baseline, including a qualitative assessment of the performance achieved.

- **Social:** Quantitative goals for measuring DEI initiatives including diverse hiring slates, spend with diverse suppliers and employee engagement survey scores, including a qualitative assessment of the performance achieved.

For more information on these new AIP metrics, as well as other updates to Exelon's executive compensation plans, please view Exelon's 2024 Proxy Statement.

Example of Key Sustainability Councils and Committees

Sustainability Council

- Leads the development of an integrated sustainability strategy for Exelon and its utilities
- Recommends internal and external sustainability KPIs and goals that can serve as the foundation for an integrated sustainability program

Racial Equity Task Force

- Focuses on six key areas: Culture & Accountability, Customers, Community Empowerment, Policy Reform, Workforce Development and Environmental Justice
- Meets biweekly and periodically briefs the Executive Committee on ongoing work and progress in each of these areas

Environmental Review Council

- Manages and aligns strategic operational environmental issues, improves operational environmental performance and coordinates the allocation of resources so that Exelon's overall environmental objectives are met
- Coordinates Exelon's responses to strategic environmental public policy and regulatory issues

Safety Council

- Identifies and evaluates emerging strategic safety issues, considering regulatory and legislative developments, stakeholder input, market opportunities, customers and brand and reputation
- Reviews enterprise-wide safety programs and performance and provides input to the Executive Committee

Departments Involved in Exelon's Sustainability Governance

- Office of the CEO
- Office of the COO
- Compliance, Audit and Risk
- Corporate Affairs and Communications
- Corporate Strategy and Sustainability
- Federal and State Government & Regulatory Affairs
- Finance
- Human Resources
- Legal
- Utility Operations (BGE, ComEd, PECO, PHI)

Enterprise Risk Management

Managing operational, financial and regulatory risks, locally and globally, is central to Exelon's success. Our Enterprise Risk Management team coordinates Exelon's risk management program, in collaboration with our operating companies. The program is designed to anticipate strategic and emerging risks, integrate risk into business planning, minimize unexpected performance variances and support growth initiatives within Exelon's risk threshold. Exelon's Enterprise risk approach incorporates the Three Lines Model of governance developed by the Institute of Internal Auditors.

The Enterprise Risk Management team works with our business teams to identify, assess and manage risks while balancing growth considerations within our risk tolerances. We undertake regular risk assessments to deepen our understanding of risks, enable effective action to mitigate risks and strengthen our risk culture. To deepen our understanding of risks, enable effective action to mitigate risks and strengthen our risk culture, we undertake regular risk assessments. The team works to align our key risk indicators with our risk appetite and industry-leading practices. A summary of Exelon's top enterprise risks, including oversight activities and management of emerging and actual risks, is presented to the Exelon Board's Audit and Risk Committee annually.

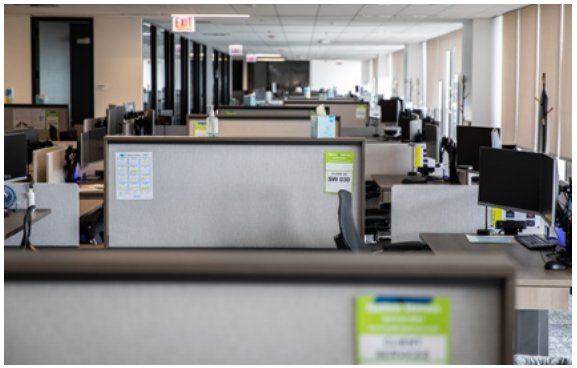
Successful risk management is a team effort across our businesses. Each operating company upholds a Risk Management Committee that identifies and evaluates the most significant risks to their business and the actions required to manage and mitigate them. Business unit senior executives discuss risks with the Audit and Risk Committee of the Exelon Board of Directors.

Exelon continually assesses and mitigates environmental risk as part of the Enterprise Risk Management program and our International Standards Organization (ISO) 14001:2015-certified Environmental Management System (EMS).

Compliance and Ethics

How we operate our business is as crucial as the results we achieve. Exelon is committed to maintaining a robust, comprehensive compliance and ethics program and recognizes that a successful program must constantly evolve in the face of changing risks. Integrity is fundamental to our mission and shapes how we work with, and are viewed by, our customers and communities.

Exelon's Compliance & Ethics Office is the primary resource for ethics advice and interpretation of the Code of Business Conduct and Supplier Code of Conduct. Our Compliance & Ethics Office provides governance and oversight of Exelon's compliance and regulatory obligations. The Compliance & Ethics Office conducts an annual risk assessment to identify compliance risks across the organization, while assessing controls for those risks. It works with business teams to promote the appropriate design, implementation and testing of controls concerning compliance obligations.



Exelon upholds a detailed Code of Business Conduct which applies to all employees, officers and directors across the enterprise. The Code articulates Exelon's core values, which include acting with integrity, and addresses a wide range of topics, such as conflicts of interest, workplace conduct, safety, protecting confidential information and other company assets, interactions with public officials, bribery and corruption, competing with integrity and environmental protection. The Code strictly prohibits any form of retaliation for raising questions or concerns about potential violations of the Code or compliance with applicable laws and regulations.

Employees are required to complete annual code of business conduct training. Non-represented employees must complete an annual certification disclosing potential conflicts of interest and certifying their understanding of the Code. Completion of the training and certifications are tracked, and new employees complete Code of Business Conduct training upon joining Exelon. Both the Code of Business Conduct and the annual all-employee training address the identification and mitigation of conflicts of interest, as does the annual process of obtaining and reviewing conflict of interest certifications. Exelon provides employees with the tools to meet the expectations outlined in the Code. The Compliance & Ethics Office also delivers mandatory training for all employees addressing Security Awareness, Harassment Prevention and other important topics.

Exelon's 24-hour Ethics Helpline allows employees, suppliers, and the public to report any ethics concerns or potential legal or regulatory violations, and pose questions. The Helpline has phone and web portal options, and reporters can remain anonymous. Exelon has a strong policy prohibiting retaliation against employees who raise concerns about compliance, ethics, safety or other matters.

Reported concerns are logged and tracked in a case management platform and screened by Compliance & Ethics. If the report alleges a potential Code of Business Conduct violation, Compliance & Ethics assigns responsibility to the proper investigation organization based on the nature of the report. Most investigations are assigned to Human Resources, Security, or are retained by Compliance & Ethics. Certain investigations are conducted by or under the direction of Exelon's Legal Department and/or outside counsel.

Exelon has established a dedicated team that investigates most allegations relating to workplace conduct issues, including sexual harassment, discrimination and employee relations problems. The team's mission is to identify opportunities to strengthen Exelon's workplace culture and partner with business teams on specific actions and broader initiatives to address cultural issues.

Regardless of who conducts all investigations, written procedures guide them, and the disposition must be recorded in the case management platform. If an investigation confirms a violation of the Code of Business Conduct, the outcome is documented in the case management platform, as are disciplinary decisions. Discipline for violations varies with the nature and circumstances of the violation, and ranges from coaching to termination.

Compliance & Ethics shares with the Exelon Board's Audit and Risk Committee and the Risk Management Committees of ComEd and Exelon's other utilities an annual analysis of data concerning matters referred to Compliance & Ethics. The data provides insights about trends in the nature of allegations, the rates at which they are substantiated, and time to resolution, among other things. This information is analyzed both organization-wide and separately for each utility and Exelon Corporate. In addition, Compliance & Ethics shares available benchmarking data regarding compliance and ethics among peers.

Exelon's Supplier Code of Conduct focuses on the responsibilities of all suppliers, contractors and agents. The Supplier Code outlines Exelon's expectations and standards for ethical conduct which apply to suppliers, their subcontractors and their respective workforces. The Supplier Code addresses a wide range of obligations for suppliers relating to compliance with all applicable laws and regulations, maintenance of high ethical standards, public and workplace safety, human rights and labor standards, diversity, the environment, conflicts of interest, bribery and corruption, fair competition, accurate recordkeeping and retaliation.

In July 2020, Exelon's ComEd subsidiary entered into a Deferred Prosecution Agreement (DPA) with the U.S. Attorney's Office for the Northern District of Illinois (USAO) to resolve the USAO's investigation into Exelon's and ComEd's lobbying activities in the State of Illinois. Exelon was not a party to the DPA, and the investigation by the USAO into Exelon's activities ended with no charges being brought against Exelon. ComEd successfully completed the DPA in July 2023. Also in 2023, ComEd and Exelon resolved a Securities and Exchange Commission investigation arising out of the same facts.

In 2020, before entering the DPA, Exelon implemented four new companywide ethics policies that substantially increased oversight of interactions with public officials, deployed a series of new controls and enhanced guidance and training. These policies require tracking and review of requests, referrals and recommendations from public officials, strengthen due diligence and supervision of lobbyists and political consultants and provide for regular reporting to the Audit and Risk Committee of Exelon's Board of Directors and to utility boards of directors regarding interactions with public officials. Employees who regularly interact with public officials receive annual training to support compliance with these policies.

The Executive Vice President (EVP) for Compliance and Audit oversees Compliance & Ethics, internal audit programs and Enterprise Risk Management. This role reports to Exelon's Chief Executive Officer and to the Chair of Exelon Board's Audit and Risk Committee and serves as a member of Exelon's Executive Committee. The EVP for Compliance, Audit, and Risk also provides regular reports to the Audit and Risk Committee of Exelon's Board of Directors. This structure enhances the independence and visibility of the Compliance & Ethics function, supports coordination of compliance and audit activities, and facilitates sharing of insights regarding compliance, ethics, audit and enterprise risk matters across our operating companies.

Conflict Minerals

Exelon has considered the conflict minerals reporting requirements of Section 1502 of the Dodd-Frank Act. It has been determined that conflict minerals are not a part of any product we manufacture or contract for manufacture. As a result, we have concluded that Exelon does not have any reporting requirements under Section 1502.

> The Supplier Code of Conduct outlines Exelon's expectations and standards for ethical conduct which apply to suppliers, their subcontractors and their respective workforces.

Human Rights Policy

Our Human Rights Policy reaffirms respect for human rights as a fundamental value. It articulates the company's commitment to supporting, respecting and protecting human rights in our relationships with our employees, suppliers and business partners. The policy is guided by the United Nations Guiding Principles on Business and Human Rights and is published on Exelon's website.

Political Participation and Advocacy

Our public policy participation and advocacy activities are guided by our Corporate Governance Principles, our policies for interactions with federal, state and local officials and our corporate and political contribution guidelines. These policies and guidelines, as well as our semi-annual political contribution reports, can be found on Exelon's Corporate Governance webpage. As we work to advance public policy, we ally with many associations and business groups, such as EEI, AGA and Business Roundtable, on matters including clean energy, cybersecurity, supply chain, tax policy, workforce development and other related business issues. In many cases, we are in alignment with the advocacy positions of these organizations, but not always. When our views diverge, we may advocate for change in the association's positions or voice our positions separately or in conjunction with stakeholders who are more closely aligned with us.

Sustainable Supply Chain

Exelon's utilities procure a wide range of materials and services that support our company operations by working with approximately 6,500 suppliers. Our suppliers help us successfully deliver electricity and natural gas to our customers and maintain superior service. Exelon operations span the value chain from procurement to delivery through our subsidiaries and support services. To better understand our supply chain and proactively identify and address potential business continuity risks, we actively engage, evaluate and monitor our suppliers. We also work to align Exelon's sourcing practices with company objectives in environmental responsibility, safety, supplier diversity and local economic development.

Supply Chain Policies and Risk Management

Exelon employs a risk management process developed by the Supply and Enterprise Credit Risk Management team to identify, communicate and mitigate risks. We review of all suppliers semi-annually to determine supplier criticality to our business based on their spend profile with Exelon and the types of services they provide. We conduct in-depth risk reviews of our critical suppliers based on third-party credit reports, criticality of the supplier to Exelon's business functions and company objectives (such as diversity and sustainability), probability of a risk event, the potential severity of impacts and our resilience to a disruption through alternate suppliers. In determining the potential for a risk event, many factors are considered, including the location of the Supplier, commodities used in the production of the finished goods, and the Supplier's industry as a whole. The team regularly communicates the results of these risk reviews to management. Exelon monitors performance of our Suppliers and works collaboratively to resolve any performance issues. Significant performance issues are escalated to Exelon's leadership, and a corrective action plan is developed with the Supplier. Exelon monitors completion of the corrective action plan and may remove Suppliers that do not meet the requirements. Exelon's watchlist is reviewed and updated on a quarterly basis. At the end of 2023, there were five suppliers on our watchlist and no suppliers on a performance improvement plan

In August 2023, Exelon conducted its semiannual detailed risk assessment, which identified 77 critical tier 1 suppliers for its utilities; defined as suppliers that are critical to Exelon's operations and/or that have a high-risk profile due to access to Exelon's confidential data or due to work that is subject to regulatory requirements. These Tier 1 suppliers represent 45 percent of total spend. As part of this process, we identified four high-risk critical Tier 1 suppliers that necessitated risk mitigation strategies.

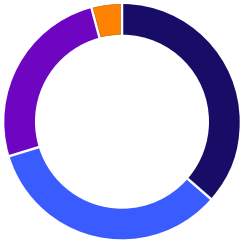
Supplier Performance Management

Exelon monitors performance of our Suppliers and works collaboratively to resolve any performance issues. Significant performance issues are escalated to Exelon's leadership, and a corrective action plan is developed with the Supplier. Exelon monitors completion of the corrective action plan and may remove Suppliers that do not meet the requirements. Exelon's watchlist is reviewed and updated on a quarterly basis. At the end of 2023, there were five suppliers on our watchlist and no suppliers on a performance improvement plan.

Spend Analysis

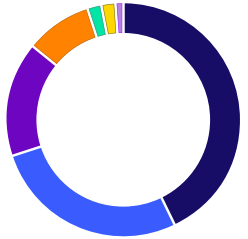
Exelon sourcing professionals manage approximately 63 categories of supply spend. In 2023, 37 percent was spent on construction, 33 percent on services, 26 percent on materials and 4 percent on IT hardware and services. Over half of Exelon's supply chain spend is with suppliers located in our key operating geographies. This spend analysis excludes goods and services not managed by Exelon's supply organization.

Supply Spend Breakdown by Major Category for 2023



- **37%** Construction
- **33%** Services
- **26%** Materials
- **4%** IT

Supply Spend by State[1]



57%

of Exelon supply chain spending is with suppliers in our key operation areas

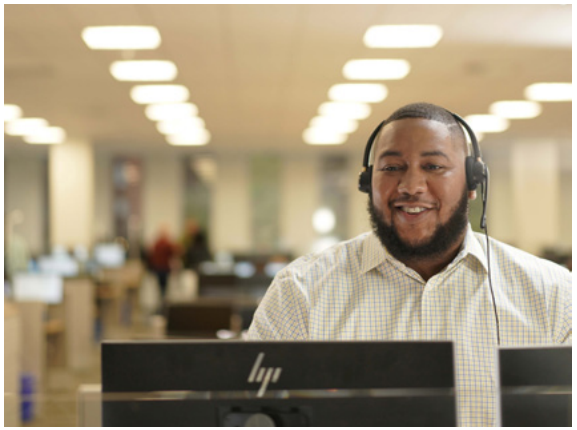
- **43%** All Other States
- **27%** Illinois
- **16%** Pennsylvania
- **9%** Maryland
- **2%** District of Columbia
- **2%** New Jersey
- **1%** Delaware

[1] Supply spend by state is filtered to align with jurisdiction Supplier Diversity reporting practices and does not include all spend.

Improving Sustainability With Our Suppliers

All Exelon business partners are required to comply with Exelon's Supplier Code of Conduct, which sets forth expectations for all suppliers, contractors and agents, in addition to meeting contract terms and conditions tailored to manage each party's engagement. We review our Supplier Code every two years to ensure relevancy and to review that our purchasing practices.

Exelon participates in industry and government efforts to evaluate and improve the environmental and social performance of our supply chain operations. As an industry leader in sustainability, we recognize the influence we have over our supply chain and understand our responsibility to encourage sustainable practices across our suppliers. Exelon makes a concerted effort to minimize potential negative impacts of the goods and services we procure and to motivate our suppliers to improve their operational performance.



Suppliers looking to work with Exelon are required to provide information on their environmental programs and performance by responding to a list of Environmental RFP questions, which are evaluated as part of Exelon's selection criteria when awarding work. Exelon's Supplier Code of Conduct also requires that our suppliers work to support Exelon's commitments to sustainability. Suppliers that do not meet Exelon's requirements on sustainability may be excluded from consideration on certain RFPs.

We advance sustainability in our supply chain through both our direct relationships with our suppliers and our engagement with the Electric Utility Industry Sustainable Supply Chain Alliance (the Alliance), of which Exelon was a founding member. The Alliance is a joint organization of utilities and suppliers working together to advance sustainability best practices in utility supply chain activities and supplier networks. The Alliance provides resources to suppliers to help them improve their sustainability, including training on topics such as GHG emissions reporting. Exelon continues to pursue progress against the Alliance's sustainability maturity model by creating more rigor around the scoring of sustainability aspects of supplier proposals in bids and by recognizing top suppliers with awards related to their environmental performance. Exelon continues to recommend supplier participation in the Alliance and its Supplier Affiliate Membership program.

Exelon leverages the Alliance's sustainability survey, which benchmarks a supplier's sustainability practices with their peers and provides suppliers with additional detail on how they can improve sustainability.

Exelon has continued to work with the Alliance to refine our estimates for two categories of Scope 3 GHG emissions: "purchased goods and services" and "capital goods." Exelon is currently calculating emissions using this refined methodology and gathering actual emissions data from our suppliers to help improve accuracy of our GHG emissions calculation. Exelon intends to continue work with the Alliance to advance opportunities to quantify, understand and, where possible, seek to reduce supply chain GHG emissions. Exelon's Chief Supply Officer continues to serve on the Alliance's executive committee, continuing Exelon's long-standing executive-level support for the work of this organization.

Exelon Supplier Code of Conduct—Provisions on Environmental Performance

Exelon's commitment to the environment is integral to meeting customers' expectations and reducing Exelon's environmental impact on future generations while also ensuring that we meet or exceed all environmental laws and regulations. Exelon utilities set a Path to Clean Goal for 50 percent GHG emissions reduction by 2030 and strive to achieve net zero operations by 2050. This includes a commitment to support customers and communities to reach their clean energy and emissions reduction goals. We expect suppliers to share these goals by identifying and implementing opportunities to reduce or eliminate energy usage, GHG emissions, waste and pollution at the source while continually improving efficiency of resource and materials use.

Appendix

Sustainability Scores

Exelon participates in several voluntary reporting initiatives and is rated by a number of third parties that provide investors with information on Exelon's sustainability performance. In most cases, Exelon scores in the top quartile or better among our peers. For more information on Exelon's sustainability profile and performance from an investor perspective, please see our Investor Relations ESG resources webpage.

Rater	Exelon Score[1]	Scale	Comment
Bloomberg	• Environment: 50.4 • Social: 68.9 • Governance: 70.6	Score: 0–100	Higher score is better
ISS ESG Quality Score	• Environment: 3 • Social: 3 • Governance 1	Score: 0–10	Lower score is better
DJSI Survey (S&P Global)	84	Score: 0–100 (Percentile Rank)	North America Index 16 consecutive years
Sustainalytics	22.9	Score: 0–100	Lower score is better
MSCI	AA	AAA to CCC ratings	AAA is best
2022 CPA-Zicklin Index	95.7	Score: 0–100	Considered a trendsetter company (with a score of 90 percent or higher)
JUST Capital	6th	Score: 1–44 (Ranking)	Included in the JUST 100 Index for 2024, 2019–2022
GRESB	A	A to E	A is best

[1] Scores updated as of April 23, 2024.

GRI Index

The indicators below are from the 2021 GRI Standards and the 2014 Electric Utilities Sector Standard. This report has been prepared in accordance with the 2021 GRI Standards.

Framework	Disclosure	Location/Response
General Disclosures 2021		
The Organization and Its Reporting Practices		
GRI 2	2-1 Organizational details	About Exelon 10-K, pages 6–7
	2-2 Entities included in the organization's sustainability reporting	About Exelon, Our Family of Companies 10-K, page 7
	2-3 Reporting period, frequency and contact point	About Exelon, 2023 Corporate Sustainability Report Approach
	2-4 Restatements of information	As a result of Exelon's Path to Clean 2015 baseline being adjusted and re-verified in 2024 to incorporate boundary changes and improved data, operations-driven GHG emissions (Scope 1 & 2 market-based) have been revised down to 523,000 metric tons in the 2023 ESR versus 527,000 metric tons in the 2022 ESR.
	2-5 External assurance	About Exelon, 2023 Corporate Sustainability Report Approach
Activities and Workers		
GRI 2	2-6 Activities, value chain and other business relationships	Our suppliers help us successfully deliver energy to our customers and maintain superior service. Our operations span the value chain from energy acquisition for customers who have not selected a competitive energy supplier to transmission and delivery of electricity and natural gas by our utilities and provision of other services, as outlined in our 10-K. 10-K, pages 7–9 About Exelon, Sustainable Supply Chain
	2-7 Employees	Accelerating Our Commitment to Diversity, Equity and Inclusion, Employee Diversity Table Exelon and its utilities operate in the United States, with most employees living in, or near, our primary service areas in DE, IL, MD, NJ, PA and the District of Columbia. Exelon does not have international operations.
	2-8 Workers who are not employees	Sustainable Supply Chain Exelon utilizes a wide range of outside services to perform work in areas such as general business support, information technology and construction. We do not report on the number of workers used by third parties that work on behalf of Exelon.

Framework	Disclosure	Location/Response
Governance		
GRI 2	2-9 Governance structure and composition	Corporate Governance
	2-10 Nomination and selection of the highest governance body	Proxy Statement, page 15
	2-11 Chair of the highest governance body	Sustainability Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance, Enterprise Risk Management
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance
	2-14 Role of the highest governance body in sustainability reporting	2022 Corporate Sustainability Report Approach
	2-15 Conflicts of interest	Exelon Code of Conduct, pages 28–33 Exelon Corporate Governance Principles
	2-16 Communication of critical concerns	Compliance and Ethics
	2-17 Collective knowledge of the highest governance body	Sustainability Governance
	2-18 Evaluation of the performance of the highest governance body	Sustainability Governance Proxy Statement, pages 34–35
	2-19 Remuneration policies	Proxy Statement, pages 42–54
	2-20 Process to determine remuneration	Proxy Statement, pages 42–73
	2-21 Annual total compensation ratio	Proxy Statement, page 70
Strategy, Policies and Practices		
GRI 2	2-22 Statement on sustainable development strategy	CEO Message
	2-23 Policy commitments	Compliance and Ethics, ESG Resources webpage
	2-24 Embedding policy commitments	Compliance and Ethics, ESG Resources webpage
	2-25 Processes to remediate negative impacts	Compliance and Ethics
	2-26 Mechanisms for seeking advice and raising concerns	Compliance and Ethics
	2-27 Compliance with laws and regulations	Environmental Management, Monitoring Compliance Performance
	2-28 Membership associations	Supporting a Clean Energy Policy Transformation, Sustainable Supply Chain, ESG Resources webpage
Stakeholder Engagement		
GRI 2	2-29 Approach to stakeholder engagement	Stakeholder Engagement
	2-30 Collective bargaining agreements	Employee and Labor Relations, 10-K, page 12–13
Material Topics		
GRI 3	3-1 Process to determine material topics	Key Sustainability Topics, Stakeholder Engagement
	3-2 List of material topics	Key Sustainability Topics

Framework	Disclosure	Location/Response
Topic Specific Disclosures		
Advancing Clean Energy and Affordable Energy Choices		
GRI 3: Material Topics 2021	3-3 Management of Economic Performance	About Exelon; 10-K, page 100
	3-3 Management of Climate Adaptation, Resilience, and Transition	Integrating Climate Change: When a Business Plan Becomes a Transition Plan
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	About Exelon, Giving Back to Communities
	201-2 Climate change financial implications	Integrating Climate Change: When a Business Plan Becomes a Transition Plan, Identifying and Assessing Climate-Related Risks
	201-4 Financial assistance received from government	Information unavailable/incomplete
GRI 3: Material Topics 2021	3-3 Management of Indirect Economic Impacts	Supporting Communities
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Investments to Benefit Customers and Communities, Supporting Local and Diverse Suppliers
GRI 3: Material Topics 2021	3-3 Management of Procurement	Sustainable Supply Chain
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Supply Chain
GRI 3: Material Topics 2021	3-3 Management of Energy	Exelon 2023 CDP Climate Change Response, C1.2a, C1.3a
GRI 302: Energy 2016	302-1: Energy consumption within the organization	Exelon 2023 CDP Climate Change Response, C4.2b
	302-4: Reduction of energy consumption	Exelon 2023 CDP Climate Change Response, C1.3a, C4.1a, C4.3c
	302-5: Reduction in energy requirements of products and services	Customer Efficiency and Savings
Delivering a Top-Tier Customer Experiences		
GRI 3: Material Topics 2021	3-3 Management of Public Policy	Political Participation and Advocacy
GRI 415: Public Policy	415-1 Political contributions	Political Participation and Advocacy, Corporate Governance webpage
Safely Powering Reliability and Resilience		
GRI 3: Material Topics 2021	3-3 Management of Customer Health and Safety	Disaster Preparedness and Awareness, Identifying and Assessing Climate-Related Risks
	3-3 Management of Emissions	Full GHG Inventory and Accounting Protocol
		Exelon 2023 CDP Climate Change Response
GRI 416: Customer Health and Safety 2016	416-1 Assessment of health and safety impacts	Disaster Preparedness and Awareness
Supporting Communities		
GRI 3: Material Topics 2021	3-3 Management of Local Communities	Supporting Communities
GRI 413: Local Communities 2016	413-1 Local community engagement	Supporting Communities

Framework	Disclosure	Location/Response
Integrating Climate Change: When a Business Plan Becomes a Transition Plan		
GRI 3: Material Topics 2021	3-3 Management of Emissions 3-3 Management of Climate Adaptation, Resilience, and Transition	Integrating Climate Change: When a Business Plan Becomes a Transition Plan Full GHG Inventory and Accounting Protocol Exelon 2023 CDP Climate Change Response
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	GHG Emissions Profile Full GHG Inventory and Accounting Protocol Exelon 2023 CDP Climate Change Response
	305-2 Energy indirect (Scope 2) GHG emissions	GHG Emissions Profile Full GHG Inventory and Accounting Protocol Exelon 2023 CDP Climate Change Response
	305-3 Other indirect (Scope 3) GHG emissions	GHG Emissions Profile Full GHG Inventory and Accounting Protocol Exelon 2023 CDP Climate Change Response
	305-5 Reduction of GHG emissions	GHG Emissions Profile Full GHG Inventory and Accounting Protocol Exelon 2023 CDP Climate Change Response
	305-7 Nitrogen oxides (NO), sulfur oxides (SO), and other significant air emissions	Exelon does not own power generation facilities and does not create significant air emissions from our operations.
Nature and Stewardship		
GRI 3: Material Topics 2021	3-3 Management of Water and Effluents	Watershed Management and Water Inventory
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Watershed Management and Water Inventory
	303-2 Management of water discharge-related impacts	Watershed Management and Water Inventory
	303-3 Water withdrawal by source	Watershed Management and Water Inventory
	303-5 Water consumption by source	Watershed Management and Water Inventory
GRI 3: Material Topics 2021	3-3 Management of Biodiversity	Our Approach to Nature and Stewardship
GRI 304: Biodiversity 2016	304-2 Impacts on biodiversity	Our Approach to Nature and Stewardship
	304-3 Habitats protected or restored	Our Approach to Nature and Stewardship
GRI 3: Material Topics 2021	3-3 Management of Waste	Waste and Recycling
GRI 306: Effluents and Waste 2016	306-4 Waste diverted from disposal	Waste and Recycling

Framework	Disclosure	Location/Response
A Safe, Innovative and Rewarding Workplace		
GRI 3: Material Topics 2021	3-3 Management of Employment	Accelerating Our Commitment to Diversity, Equity and Inclusion
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Accelerating Our Commitment to Diversity, Equity and Inclusion
	401-3 Parental leave	Progressive Workforce Policies
GRI 3: Material Topics 2021	3-3 Management of Occupational Health and Safety	Workplace Safety Management and Performance
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Workplace Safety Management and Performance
	403-2 Hazard identification, risk assessment, and incident investigation	Workplace Safety Management and Performance
	403-3 Occupational health services	Workplace Safety Management and Performance
	403-4 Worker participation, consultation, and communication on occupational health and safety	Workplace Safety Management and Performance
	403-5 Worker training on occupational health and safety	Workplace Safety Management and Performance
	403-6 Promotion of worker health	Workplace Safety Management and Performance
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Workplace Safety Management and Performance
	403-8 Workers covered by an occupational health and safety management system	Workplace Safety Management and Performance
	403-9 Work-related injuries	Safety Performance
	403-10 Work-related ill health	Safety Performance
GRI 3: Material Topics 2021	3-3 Management of Training and Education	Employee Development and Training
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills	Employee Development and Training
GRI 3: Material Topics 2021	3-3 Management of Diversity and Equal Opportunity	Accelerating Our Commitment to Diversity, Equity and Inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Accelerating Our Commitment to Diversity, Equity and Inclusion
GRI 3-3: Material Topics 2021	3-3 Management Approach of Freedom of Association and Collective Bargaining	Progressive Workforce Policies
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Exelon's Human Rights Policy establishes expectations for Exelon and its suppliers with regard to freedom of association and collective bargaining.

Framework	Disclosure	Location/Response
Corporate Governance		
GRI 3-3: Material Topics	Management Approach	Compliance and Ethics, Code of Business Conduct, Supplier Code of Conduct
GRI 205: Anti-Corruption	205-1 Operations assessed for risks related to corruption	Compliance and Ethics, Code of Business Conduct, Supplier Code of Conduct
	205-2 Communication and training about anti-corruption policies and procedures	Compliance and Ethics, Code of Business Conduct, Supplier Code of Conduct
	205-3 Confirmed incidents of corruption and actions taken	Compliance and Ethics
GRI 3: Material Topics 2021	3-3 Management of Anti-competitive Behavior	Compliance and Ethics
206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior	Exelon was not involved in any legal actions related to anti-competitive behavior, anti-trust, or monopoly practices and did not incur any fines or settlements related to anti-competitive practices in the past five fiscal years.
Electric Utility Sector Disclosures		
GRI EU	EU1 Installed capacity, broken down by primary energy source and by Regulatory regime	Relevant Scope 3 Emissions, Full GHG Inventory and Accounting Protocol, Exelon 2023 CDP Climate Change Response
	EU2 Net energy output broken down by primary energy source and by Regulatory regime	Not applicable
	EU3 Number of residential, industrial, institutional and commercial Customer accounts	By the Numbers
	EU4 Length of above and underground transmission and distribution Lines by regulatory regime	10-K, page 33
	EU5 Allocation of CO_2e emissions allowances or equivalent, broken Down by carbon trading framework	Not applicable
	EU 6 (former) Management approach to ensure short and long-term electricity availability and reliability	Advancing Clean Energy and Affordable Energy Choices
	EU7 (former) Demand-side management programs including residential, commercial, institutional and industrial programs	Exelon's Business Strategy, Expansion of Fiber Optic Cable for Utility Networks
	EU8 (former) Research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development	Please see the Partnership Research and Development Program section for information about our approach to this topic. We are continuing to assess related additional data needs for future disclosures.

Framework	Disclosure	Location/Response
GRI EU	EU9 (former) Provisions for decommissioning of nuclear power sites	Not applicable
	EU10 Planned capacity against projected electricity demand over the Long term, broken down by energy source and regulatory regime	Not applicable
	EU11 Average generation efficiency of thermal plants by energy source and by regulatory regime	Not applicable
	EU12 Transmission and distribution losses as a percentage of total energy	Exelon 2023 CDP Climate Change Response, C-EU8.4a
	EU13 Biodiversity of offset habitats compared to the biodiversity of the affected areas	Nature and Stewardship, Terrestrial Habitats and Wildlife Management
	EU14 (former) Programs and processes to ensure the availability of a skilled workforce	Our Talent Strategy
	EU15 Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and region	Management Diversity
	EU16 (former) Policies and requirements regarding health and safety of employees and employees of contractors and subcontractors	Workplace Safety and Management Performance
	EU17 Days worked by contractor and subcontractor employees involved in construction, operation & maintenance activities	Safety Performance
	EU18 Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	Please see the Safety Performance section for information about our approach to this topic. We are continuing to assess related additional data needs for future disclosures.
	EU19 (former) Stakeholder participation in the decision-making process related to energy planning and infrastructure development	Stakeholder Engagement, Delivering Sustainable Value as the Premier T&D Utility
	EU20 (former) Approach to managing the impacts of displacement	Not applicable
	EU21 (former) Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans	Disaster Preparedness and Awareness
	EU22 Number of people physically or economically displaced and compensation, broken down by type of project	Not applicable
	EU23 (former) Programs, including those in partnership with government, to improve or maintain access to electricity and customer support services	Partnership Research & Development, Advancing Clean Energy and Affordable Energy Choices
	EU24 (former) Practices to address language, cultural, low literacy and disability related barriers to accessing and safely using electricity and customer support services	Assistance to Low- and Moderate-Income Households
	EU25 Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements and pending legal cases of diseases	Assistance to Low- and Moderate-Income Households
	EU26 Percentage of population unserved in licensed distribution or service areas	Exelon provides electric and gas service in each jurisdiction, pursuant to public service commission requirements.
GRI EU	EU27 Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime	SASB IF-EU-240a.3
	EU28 Power outage frequency	Reliability Performance and Investments, Exelon Performance Data 2021–2023
	EU29 Average power outage duration	Reliability Performance and Investments, Exelon Performance Data 2021–2023
	EU30 Average plant availability factor by energy source and by regulatory regime	Not applicable, Exelon does not own power generation.

SASB Index

The accounting metrics and disclosures in this Sustainability Account Standards Board (SASB) Index are sourced from both the Electric Utilities & Power Generators standard and the Gas Utilities & Distributors standard. The SASB standards were amended to align with the industry-based guidance accompanying IFRS S2 Climate-Related Disclosures in June 2023 and further amended for international applicability by ISSB in December 2023.

Topic	Accounting Metric	Code	Location/Direct Answer
Electric Utilities & Power Generators Standard			
Greenhouse Gas Emissions & Energy Resource Planning	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations and (3) emissions-reporting regulations	IF-EU-110a.1	GHG Emissions Profile Full GHG Inventory and Accounting Protocol Exelon 2023 CDP Climate Change Response LRQA Independent Assurance Statement—Scope 1 and 2 Emissions
	Greenhouse gas (GHG) emissions associated with power deliveries	IF-EU-110a.2	GHG Emissions Profile Full GHG Inventory and Accounting Protocol Exelon 2023 CDP Climate Change Response LRQA Independent Assurance Statement—Scope 3 Emissions
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	IF-EU-110a.3	Managing Climate-Related Risks Full GHG Inventory and Accounting Protocol Exelon 2023 CDP Climate Change Response
Air Quality	Air emissions of the following pollutants: (1) NO_X (excluding N_2O), (2) SO_X, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	IF-EU-120a.1	Exelon does not own power generation facilities and does not create significant air emissions from our operations.
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	IF-EU-140a.1	Watershed Management and Water Inventory
	Number of incidents of non-compliance associated with water quantity permits, standards and regulations	IF-EU-140a.2	Monitoring Compliance Performance
	Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-EU-140a.3	Watershed Management and Water Inventory Our Approach to Nature and Stewardship
Coal Ash Management	(1) Amount of coal combustion products (CCPs) generated, (2) percentage recycled	IF-EU-150a.1	Not applicable
	Description of coal combustion products (CCPs) management policies and procedures for active and inactive operations	IF-EU-150a.3	Not applicable

Topic	Accounting Metric	Code	Location/Direct Answer
Energy Affordability	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	IF-EU-240a.1	Investments to Benefit Customers and Communities, Energy Affordability
	(1) Number of residential customer electric disconnections for non-payment, (2) percentage reconnected within 30 days	IF-EU-240a.3	Reported to jurisdictional public service commissions for each utility, as required.
	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	IF-EU-240a.4	Energy Affordability
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	IF-EU-320a.1	Safety Performance
End-Use Efficiency & Demand	Percentage of electric load served by smart grid technology	IF-EU-420a.2	Creating a Smart Power Grid Smart Meters 95.9% of Exelon's electric customers have electric smart meters and 97.2% of natural gas customers have smart meters. Opportunities enabled by these meters, and other technologies and systems deployed by Exelon, include time-of-use and demand response and energy efficiency programs, as well as integration of customer solar into the distribution system. Challenges to smart meter deployment include a limited number of customers who have declined these meters, as well as hard to access meters. However, these challenges are limited in nature as compared to the percentages of customers with access to smart meter technology and the benefits of other smart grid technology deployed by Exelon.
	Customer electricity savings from efficiency measures, by market	IF-EU-420a.3	Energy Efficiency Programs Each of Exelon's utility jurisdictions has public service commission authorized electric energy efficiency programs.
Nuclear Safety & Emergency Management	Total number of nuclear power units, broken down by results of most recent independent safety review	IF-EU-540a.1	N/A
	Description of efforts to manage nuclear safety and emergency preparedness	IF-EU-540a.2	N/A
Grid Resilience	Number of incidents of non-compliance with physical or cybersecurity standards or regulations	IF-EU-550a.1	Enterprise Risk Management, Physical Security, Cybersecurity and Business Continuity
	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	IF-EU-550a.2	Exelon Performance Data Operational Excellence Reliability Performance and Investments Exelon has updated its public reporting to focus on SAIDI and SAIFI statistics and no longer reports CAIDI in its sustainability report. Exelon's practice is to report SAIDI and SAIFI excluding major event days to show the steady-state reliability of the system.

Topic	Accounting Metric	Code	Location/Direct Answer
Gas Utilities & Distributors Standard			
Energy Affordability	Average retail gas rate for (1) residential, (2) commercial, (3) industrial customers, and (4) transportation services only	IF-GU-240a.1	**BGE** • Gas Tariff Link: Gas Service Rates & Tariffs | Baltimore Gas and Electric Company **DPL** • Gas Tariff Link: Delaware (Gas) | Delmarva Power— An Exelon Company **PECO** • Gas Tariff Link: Current Gas Rate Information | PECO—An Exelon Company • Gas Tariff Link—Transportation: Gas Transportation Rate Resources | PECO—An Exelon Company
	(1) Number of residential customer gas disconnections for non-payment, (2) percentage reconnected within 30 days	IF-GU-240a.3	Reported to jurisdictional public service commissions for each utility, as required.
	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	IF-GU-240a.4	Energy Affordability
End-Use Efficiency	Customer gas savings from efficiency measures, by market	IF-GU-420a.2	Energy Efficiency Programs
Integrity of Gas Delivery Infrastructure	Percentage of distribution pipeline that is (1) cast or wrought iron and (2) unprotected steel	IF-GU-540a.2	**Cast and/or wrought iron** • BGE: 11.9% • DPL: 0.5% • PECO: 5.6% **Unprotected steel** • BGE: 0.2% • DPL: 0.0% • PECO: 2.6% Reducing Emissions from Natural Gas Systems Miles of Gas Pipelines as of Year-End 2023 Exelon Gas Utility Main and Service Replacement Program Details
	Percentage of gas (1) transmission and (2) distribution pipelines inspected	IF-GU-540a.3	Leak Detection and Repair
	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	IF-GU-540a.4	Managing Climate Change Risks and Opportunities—Progress on Our Path to Clean Exelon Gas Utility Main and Service Replacement Program Details Leak Detection Equipment

Topic	Accounting Metric	Code	Location/Direct Answer
Activity Metrics	Number of: (1) residential, (2) commercial, and (3) industrial customers served	IF-GU-000.A	Exelon Natural Gas Customer Counts as Reported to EIA 176 Deliveries of natural gas in 2023 (owned and not owned) to end-use consumers (numbers of customers), as reported on the DOE Energy Information Agency (EIA) 176 Survey. See the EIA website for definitions and industry datasets at: https://www.eia.gov/Survey/
	Amount of natural gas delivered to: (1) residential customers, (2) commercial customers, (3) industrial customers, and (4) transferred to a third party	IF-GU-000.B	Exelon Natural Gas Customer Counts as Reported to EIA 176 Deliveries of natural gas in 2023 (owned and not owned) to end-use consumers (numbers of customers), as reported on the DOE Energy Information Agency (EIA) 176 Survey. See the EIA website for definitions and industry datasets at: https://www.eia.gov/Survey/
	Length of (1) gas transmission and (2) distribution pipelines	IF-GU-000.C	**Transmission (miles)** • BGE: 146.3 • DPL: 7.6 • PECO: 6.0 **Distribution (miles)** • BGE: 7,644.0 • DPL: 2,225.1 • PECO: 7,309.0 Gas system information as reported to the U.S. Department of Transportation (DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) for calendar year 2023 pursuant to 49 CFR Part 191. Reducing Emissions from Natural Gas Systems Miles of Gas Pipelines as of Year-End 2023

TCFD Index[1]

TCFD Reporting	Report Section	Location/Response
Governance		
(a) Describe the board's oversight of climate-related risks and opportunities.	Sustainability Governance	CDP C1.1
(b) Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability Governance	CDP C1.2, 1.3
Strategy		
(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Identifying and Assessing Climate-Related Risks	CDP C2.1, C2.2, C2.3
(b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Identifying and Assessing Climate-Related Risks, Managing Climate-Related Risks, Integrating Climate Change Adaptation	CDP C2.3, 2.4
(c) Describe the resilience of the organization's strategy, taking into consideration different climate scenarios, including a 2-degree C or lower scenario.	Integrating Climate Change Adaptation	CDP C3.2
Risk Management		
(a) Describe the organization's processes for identifying and assessing climate-related risks.	Identifying and Assessing Climate-Related Risks, Managing Climate-Related Risks	CDP C2.21, C2.2
(b) Describe the organization's processes for managing climate-related risks.	Identifying and Assessing Climate-Related Risks, Managing Climate-Related Risks	CDP C2.2
(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Identifying and Assessing Climate-Related Risks, Managing Climate-Related Risks	CDP C1.1, C2.2
Metrics and Targets		
(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	GHG Emissions Profile	CDP C4.1, C4.2
(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	GHG Emissions Profile	CDP C6.1, C6.3, C6.5, C2.2, C2.3
(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	GHG Emissions Profile	CDP C4.1, C4.2

[1] Exelon is working toward future alignment with the International Sustainability Board's 2023 International Financial Reporting Standards (IFRS) S1 and S2 frameworks. The IFRS standards build on the widely accepted recommendations of the TCFD.

GHG Accounting and Reporting Protocol

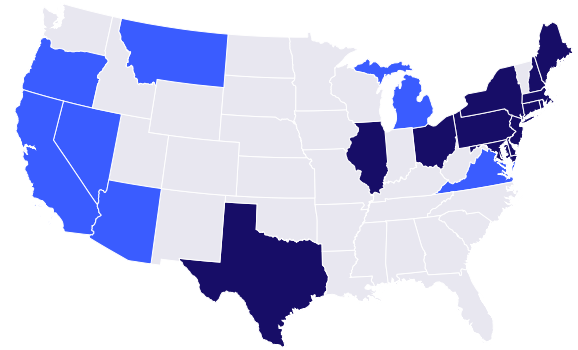
Direct and Indirect Emissions

Exelon calculates its GHG emissions inventory in conformance with The World Resource Institute (WRI) GHG Protocol, which allows for the use of EPA mandatory Reporting Rule (40 CFR Part 98) requirements where applicable. Where not specified by definition, we use publicly available emissions factors including PJM independent system operator annual grid emissions rates, average for our location-based accounting and residual for market-based accounting, as well as the EPA emissions factor hub for other sources. The inventory is also third-party verified to these standards each year to assure its correctness. Our third-party verifier for the 2023 inventory verification was LRQA. Emissions include stationary and mobile combustion of fossil fuels, fugitive emissions of GHGs (e.g., methane, SF_6, CO_2 and hydrofluorocarbons) and indirect emissions associated with the purchase of electricity from external sources. Exelon uses the global warming potentials (GWPs) from the Fourth IPCC Assessment Report (AR4) to align with the November 2013 regulatory revisions to the EPA GHG regulations (40 CFR Part 98). For our primary inventory reporting operational-share and equity-share reporting are equivalent.

As customary in traditional GHG WRI accounting methodology, Exelon's GHG inventory and GHG emissions reduction goal program currently recognize biogenic CO_2 emissions as having carbon neutral benefits for GHG emissions accounting. This is because biogenic fuels capture and remove methane emissions already considered part of the carbon cycle, which would have otherwise impacted the atmosphere in the form of methane with more significant near-term climate forcing functions. Although this methane is repurposed as an energy fuel—the end-use combustion of the fuel, while still generating CO_2, is reported separately as biogenic emissions and no longer part of the Scope 1 inventory. This has been historically done to allow for the action of specifying the biofuel to get credit for GHG mitigation since the end-user is taking on the cost premium for the biogenic fuel, creating market-demand, and typically are the primary reporters of GHG emissions and actions. As more and more upstream fuel suppliers get into GHG emissions accounting, there is the potential for double counting of the GHG benefit associated with biofuels. This is why Exelon still reports these emissions, but as a separate category that can be viewed discretely.

While GHG accounting is standardized via the WRI protocol, there are multiple utility business models that can affect how the WRI GHG Protocol is applied and into which Scope of emissions certain sources will fall. We are providing additional details on this comparability issue since it can be confusing for many stakeholders that want to score and rank performance relating to GHG mitigation efforts. The nexus of business model and GHG accounting differences between models can make it challenging to compare emissions, and emissions reduction performance and opportunities, between companies in the energy industry.

State Retail Electric Customer Choice Status



Full Customer Choice

Limited Choice

Vertically Integrated

Prior to the mid-1990s, the primary utility business model in the United States was for electric utilities to be "vertically-integrated" with the utility owning both the transmission and distribution (T&D) system and all power generation resources required to meet the load of the T&D utility. At that time, state public service commissions regulated utilities for both their T&D systems, as well as their power generation resources. Starting in the mid-1990s, a number of states elected to adopt "retail electric customer choice" laws with the primary focus being on reducing electricity costs by allowing customers to buy directly from competitive energy suppliers. Today, 19 states and the District of Columbia, including all areas with Exelon utilities, have implemented some form of customer choice. At the time that retail competition was adopted, vertically-integrated companies were required to divest or separate all power generation resources from their T&D businesses. As a result, power generation became a competitive business with generation technologies and investments determined by market economics rather than by service commission requirements. Retail choice effectively created three major utility business models in the United States. These include:

Vertically Integrated Utilities

This is the most common business model, with the state public service commission requiring that the utility own (and/or contract for) power generation resources sufficient to meet all T&D utility customer demand over a long-term planning horizon, and the utility typically having a long-term, public service commission approved, integrated resource plan. In this business model, the utility has direct control over the power generation resources that supply its customers, subject to alignment with each relevant state's public service commission. With respect to GHG emissions accounting, electricity used or lost in the process of delivering that electricity or needed to fulfill customer load is already accounted for as part of electric generation emissions (Scope 1).

T&D Only Utilities (Exelon's business model)

Under this model, found in retail choice states, the utility is not allowed to own, or invest in, power generation resources. To promote price competition, competitive energy suppliers sell electricity and natural gas to end-use customers, with the T&D Only utility simply providing the "wires and pipes" of its T&D system to deliver the energy that end use customers have purchased from competitive suppliers. In cases where customers (primarily smaller commercial and residential) have not contracted with a competitive energy supplier, the T&D Only utility is required to competitively procure "default" energy, at least cost, through competitive auctions or other mechanisms. The T&D Only Utility in this case, unlike the vertically integrated utility, cannot invest in, or agree to pay more for, "cleaner" energy since the focus of state retail choice laws was on creating energy price competition. Other considerations with this model include challenges with predicting mid- and long-term volumes of "default" electricity demand when customers have the ability to shift back and forth between competitive energy suppliers and default utility power based upon price-to-compare considerations. With respect to GHG emissions accounting, electricity used or lost in the process of delivering that electricity is considered that utility's consumption (Scope 2) and electricity procured or acquired to fulfill customer load is considered as Scope 3.

Independent/Competitive Power Producers

Competitive power producers sell into wholesale power markets such as PJM and/or sell directly to end customers in states with retail choice laws. Competitive power producers are not subject to public service commission regulations and are free to own and invest in any form(s) of power generation, at any volume, including low- and zero-carbon generation. The primary constraint on their investment in power generation is competitive market dynamics and shareholder expectations for financial returns. Post-separation from Exelon on February 1, 2022, this is Constellation's business model. With respect to GHG emissions accounting, emissions associated with their electric generation is Scope 1 and electricity used or lost in the process of delivering that electricity, which is managed by separate T&D Only utilities, is considered as Scope 3.

Companies in each of the listed business models have different levels of control and potential solution sets with regard GHG emissions reduction opportunities and implementation of long-term strategies and energy system planning, all of which affect the types of GHG performance goals they can set. The adjacent example shows two companies delivering the same amount of electricity having the same GHG emissions rate per megawatt hour (MWh) generated. However, the way that the total 125 million metric tons of emissions, in this hypothetical example, is distributed across Scopes 1, 2 and 3 is very different because of how the companies are structured.

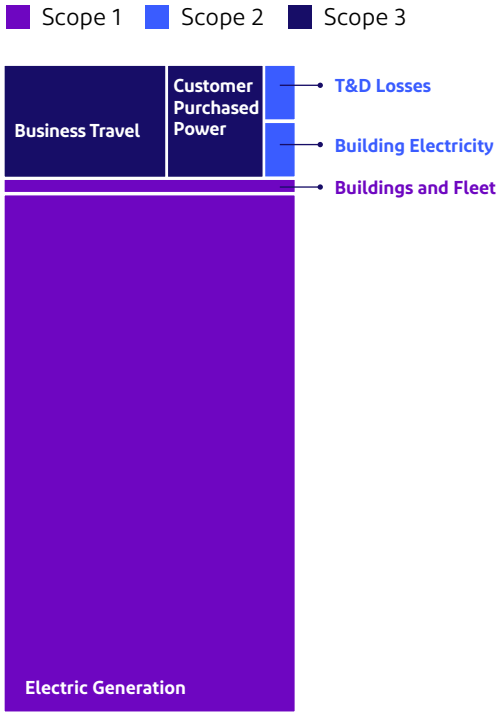
Company A is vertically integrated, thus the emissions from the generation it delivers is Scope 1, and the emissions associated with the electricity lost during distribution has already been captured in Scope 1 emissions. Company B is delivery only, like Exelon, in a deregulated electric market (such as found in retail choice states). Thus, emissions associated with electric generation is Scope 3 (coming from an independent power producer through either a direct purchase or via a competitive retailer's provided supply) and the emissions associated with the electricity lost during distribution is Scope 2 emissions.

Company A can set a goal on emissions associated with electric generation directly. Company B can advocate for policies that drive clean electricity and can engage with suppliers to set and achieve goals associated with their supply, but Company B must ultimately deliver whatever electricity is supplied to the grid.

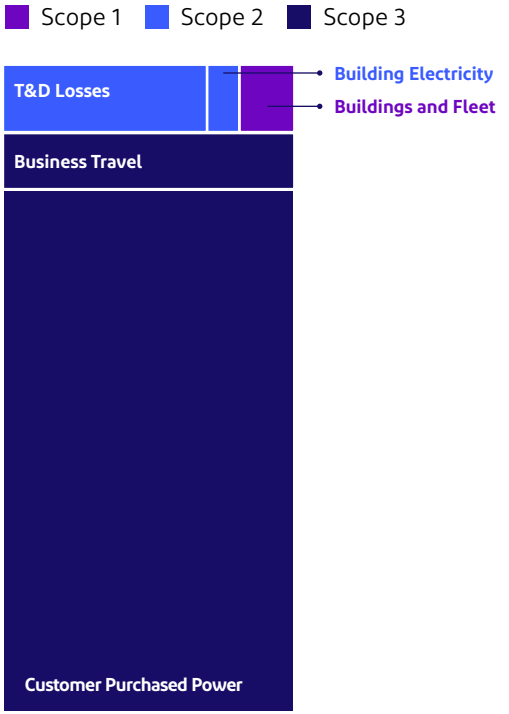
Emissions Sources

Sources	Type		
	Vertically Integrated Utilities	T&D Only Utilities	Independent/ Competitive Power Producers
Emissions from owned generation	Scope 1	N/A	Scope 1
Emissions from owned vehicles, vessels, or aircraft	Scope 1	Scope 1	Scope 1
Fugitive emissions from company owned equipment	Scope 1	Scope 1	Scope 1
Emissions from purchased/acquired power for resale to customers	Scope 3	Scope 3	Scope 3
Emissions from T&D line losses from purchased or wheeled power	Scope 2	Scope 2	Scope 3
Waste generation (in operations)	Scope 3	Scope 3	Scope 3
Employee commuting; business travel	Scope 3	Scope 3	Scope 3

Company A: Vertically-Integrated Utility Profile



Company B: Delivery-Only Utility Profile



Aside from the difference in the Scope of emissions where the electric delivered for customers is reported, it is also important to note that Company A can include in its rate base the source of its generation and have a long-term plan to retire, exit, build or arrange for power purchase agreements, subject to approval by its regulators. Company B is limited to purchasing its power through competitive procurement processes. The difference between the two business models goes beyond just categorization, but also includes a difference in the ability to affect change.

Managing Emissions Based on How We Can Take Action

As shown in the table on the next page, Exelon has established its Path to Clean Operations-Drive GHG emission goal boundary based upon the Scope 1 and Scope 2 emissions that relate to our operations—this is focused on the emissions sources that are directly in Exelon's control. The goal of this 'operations-driven' boundary is to reduce emissions 50 percent by 2030 and achieve Net-Zero by 2050. This boundary captures 100 percent of our Scope 1 emissions and all the emissions associated with electric used in our buildings (~1.3 percent of our Scope 2 emissions). The balance of our Scope 2 emissions relates to electric system distribution losses which we manage as part of our customer-driven emissions, which also include Scope 3 categories associated with the supply sources for the energy delivered and the use of that energy by end users. Customer-driven emissions relate to emissions that vary based on how much energy customers buy, and this can be affected by weather, market and economic conditions outside of Exelon's control. We track operations-driven emissions separately from customer-driven emissions so that we can best manage these emissions over time based on how we can best affect change.

Efforts to reduce the customer-driven segment of our inventory are covered by our Path to Clean commitment to support our customers and communities in achieving their clean energy goals. Our current actions include our customer programs for energy efficiency (EE), customer tools for demand management and customer access to clean energy. Our Scope 3 performance is ultimately based on the total demand used which can be also be affected by new sources of electric use—such as vehicle electrification—which, while decreasing emissions from gasoline and diesel use, will increase demand for electricity. So even though our customer programs result in real GHG benefits, the reductions often apply to the broader electricity sector level or other fuel providers and cannot always be tied directly to immediate reduction of Exelon's GHG inventory. Thus, they are not currently covered by a formal absolute emissions reduction goal, but rather a commitment to partner with our customers and communities in achieving their goals.

Exelon Corporate GHG Inventory Breakdown[1]

Current GHG Goal Program by Category (1,000 $mtCO_2e$)		2021	2022	2023	
Total Scope 1 & 2 Emissions	**Scope 1: Operations-Driven**	**467**	**452**	**413**	Path to Clean Operations-Driven GHG Emissions Boundary
	Stationary Combustion—Support Operations	*26*	*22*	*20*	
	Natural Gas Distribution (Fugitive Methane)	*305*	*299*	*285*	
	Electric Distribution (Fugitive SF_6)	*43*	*41*	*20*	
	Refrigerants (Fugitive HFCs/PFCs)	*0*	*0*	*0*	
	Vehicle Fleet Operations	*92*	*90*	*87*	
	Scope 2 (Market-based): Operations-Driven Building, Electric, District Heating and Cooling	71	75	65	
	Total Operations-Driven GHG Emissions— Path to Clean Operations-Driven 2030 Goal Performance	**538**	**527**	**478**	
	Scope 1 Customer-Driven Emissions	Not Applicable—No Owned Electric Generation			Customer-Driven GHG Emissions Boundary
	Scope 2 Customer-Driven T&D Line Losses (Market-based)	5,211	5,193	4,830	
Scope 3	Direct Measure Customer-Driven Scope 3 (Categories 3 & 11)	85,563	82,855	82,675	
	Other Relevant Scope 3 (Categories 1, 2, 4–8)	1,691	1,672	1,738	
Total Enterprise Scope 1		467	452	413	
Total Enterprise Scope 2 (Market-based)		5,282	5,268	4,895	
Total Enterprise Scope 1 & 2 Emissions		5,749	5,720	5,308	
Total Enterprise Scope 3		87,254	84,527	84,413	
Combined Enterprise Footprint Scope 1 + Scope 2 + Scope 3		**93,003**	**90,247**	**89,721**	
Required Supplemental Biomass (Biogenic CO_2 Emissions)		49	9	8	

Scope 1 Scope 2 Scope 3 Scopes 1 & 2

[1] Some totals may vary by 1,000 $mtCO_2e$ due to rounding.

Scope 2 Accounting

The table below presents our inventory under both the location-based Scope 2 accounting and the market-based accounting as defined by the WRI GHG Protocol Scope 2 Guidance. Location-based accounting reflects how electricity is delivered over wires and is calculated using the latest independent system operator (ISO) or regional transmission organization (RTO) average emissions rate. Market-based accounting is calculated using emission factors relative to the way electricity is purchased, substituting zero emissions where renewable or nuclear power sources were specified in procurement contracts and using the PJM published residual emissions rates (which remove clean energy attributes retired by others). Our Path to Clean emissions reduction goal uses Market-based accounting incorporating the GHG emissions benefits of clean energy purchases.

Under the market-based Scope 2 accounting view, Exelon is recognizing the following market-based elements: Green-e® certified RECs (renewable generation emissions attributes) and PJM-issued EFECs (nuclear generation emissions attributes). All other electric use is currently assigned the PJM published residual emissions rate (the emissions rate of generation after all retired attributes are removed), with the exception of BGE's building electric use which uses its own Utility Specific Residual Emissions Rate. BGE's factor is different because as BGE purchases from their own full service supply for which they fulfill the Maryland Renewable Portfolio Standard obligations on behalf of the customers. See Supporting our Customers' GHG Accounting section below for more detail on these factors. EPA eGRID sub-regional average emissions rates are used for CH_4 and N_2O, as these emission factors are not currently available from PJM.

Exelon Side by Side Scope 2 Accounting

Category	2021			2022			2023		
	MWh Used	Location-Based Emissions ($mtCO_2e$)[1]	Market-Based Emissions ($mtCO_2e$)[2]	MWh Used	Location-Based Emissions ($mtCO_2e$)	Market-Based Emissions ($mtCO_2e$)	MWh Used	Location-Based Emissions ($mtCO_2e$)	Market-Based Emissions ($mtCO_2e$)
Operations-Driven Scope 2									
Building Electric Use	269,353	103,094	70,706	278,307	106,844	74,471	253,642	93,928	64,723
District Heating and Cooling	2,455	778	793	1,949	422	422	442	310	295
Fleet Electric Use				138	53	23	328	121	61
Customer-Driven Scope 2									
Electric System Uses and Losses (Full Service)	4,830,692	1,847,824	2,021,518	5,180,992	1,988,666	2,175,022	4,644,258	1,718,261	1,962,771
Electric System Uses and Losses (Retail Delivery Only)	7,538,740	2,883,699	3,154,765	7,187,986	3,203,931	2,572,671	6,783,084	2,510,423	2,867,538
System Losses per Delivered Volume (%)		6.34%			6.32%			5.39%	
Total Aggregated Corporate Electric Use	12,641,240	4,835,395	5,247,783	12,649,372	5,299,916	4,822,609	11,681,754	4,323,044	4,895,389
Customer-Driven Scope 3									
Full Service Electric Supply Delivered to Customers	76,227,925	29,158,511	25,677,657	81,758,623	30,069,934	27,000,103	77,359,335	28,612,581	26,795,176
Retail Electric Supply Delivered to Customers	118,960,681	45,504,535	39,901,734	114,029,618	41,938,855	34,075,029	111,145,144	41,121,710	33,362,176
Total Customer Electric Use	195,188,606	74,663,046	65,579,391	195,788,241	72,008,789	61,075,133	188,504,479	69,734,291	60,157,352

[1] Assumes PJM Grid Average for that year (all generation resources on the grid).

[2] Assumes PJM Residual Average for that year unless Clean Electric is specifically procured.

Reducing Emissions from Natural Gas Systems

Three of Exelon's utilities—PECO, BGE and DPL—provide natural gas distribution service to customers through 17,178 miles of gas mains. As Exelon recognizes the importance of gas delivery systems in a reliable and resilient integrated energy system of the future, we are working to modernize these systems to increase safety, reduce methane leakage and ready these systems to carry increasing amounts of lower-carbon fuels like renewable natural gas and hydrogen.

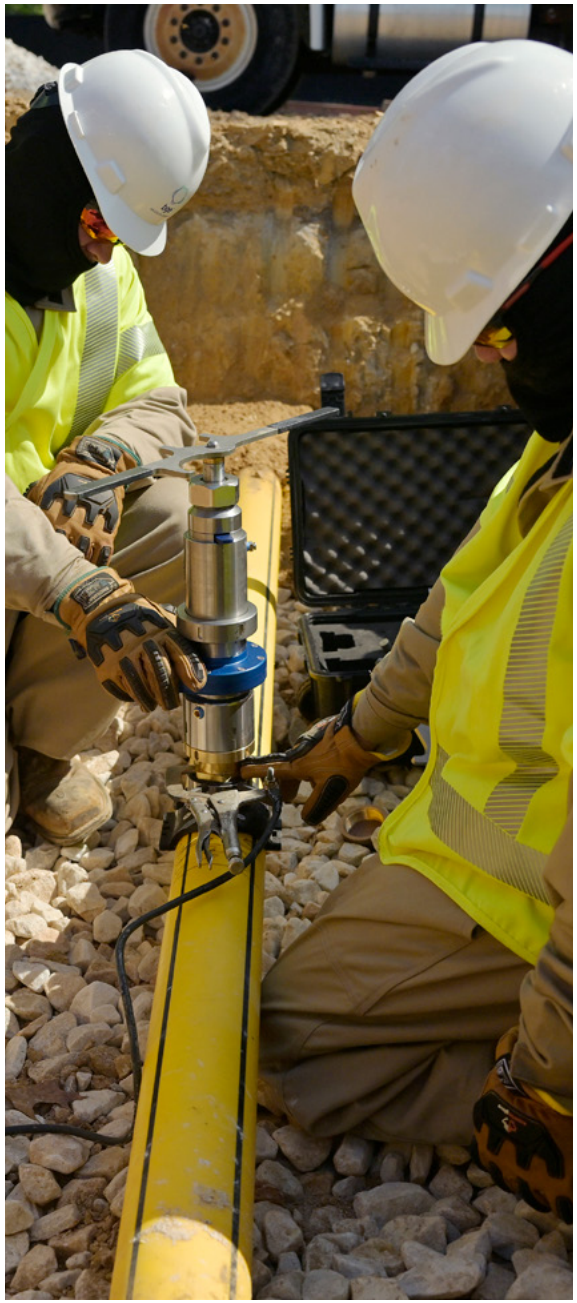
- Exelon's capital plans to call for about $3.9 billion of capital investment in our utilities' natural gas systems over the next four years. Main and service by company details.

- DPL has replaced most of its cast iron and unprotected steel mains with a targeted completion date of 2027; PECO maintains a targeted completion date for its remaining outmoded infrastructure by 2035; BGE maintains a long-term pipe replacement program aimed at eliminating all unprotected steel pipes and services by 2040 and its cast iron mains by 2046. Replacement program details.

- From a safety perspective, Exelon uses optical methane detectors, remote methane leak detectors and combustible gas indicators to conduct leak surveys. In 2023, BGE launched a pilot for satellite methane detection for faster identification of leaks and priority repair based on an emissions scale. All the Exelon gas companies conduct leak surveys and prioritize repair based on risk and in conformance with, or faster than, industry standards and regulatory requirements. Leak detection and repair details.

- Since 2015, our pipe replacement programs have reduced methane emission by over 143,000 metric tons of carbon dioxide equivalents (CO_2e) based on a 100-yr global warming potential, and our emissions per million standard cubic feet throughout has declined from 0.37 percent to 0.30 percent.[1] When considering a twenty-year global warming potential for methane, GHG benefits are over 490,000 $MTCO_2e$ due to the high impact of methane in the atmosphere immediately after release. GHG emission and intensity details.

[1] The 2015 baseline metric for emissions per million standard cubic feet throughput has been updated versus prior year reports (to 0.37 from 0.44) due to the inclusion of deliveries for electric power at one of Exelon's three gas utilities which had previously been excluded.



2023 Exelon Natural Gas Main Mileage[1][2][3]

Miles of Main (2023)	BGE	DPL	PECO
Protected Coated	2,782	489	2,798
Protected Bare	0	6	11
Unprotected Coated	0	23	147
Unprotected Bare	13	0	198
Plastic	3,934	1,665	3,693
Cast/Wrought Iron	913	41	426
Ductile Iron	0	1	35
Reconditioned Cast Iron	3	0	1
Total	7,644	2,225	7,309

2023 Exelon Natural Gas Number of Services[1][2]

Number of Services (2023)	BGE	DPL	PECO
Protected Coated	34,940	11,267	8,894
Unprotected Coated	0	7,261	5,157
Unprotected Bare	46,436	341	29
Plastic	459,871	110,651	451,742
Copper	13,824	2,589	1,324
Cast Iron	20	0	0
Other	0	1,535	13,206
Total	555,091	133,644	480,352

[1] Rounded to the nearest mile.

[2] Additional data available at this link: Main and service by company details.

[3] Gas Distribution system pipe and service information as reported to the U.S. Department of Transportation (DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) for calendar year 2022 pursuant to 49 CFR Part 191.

Exelon Scope 3 Emissions by Category[1]

Category	Category Name	2021	2022	2023
1	Purchased Goods and Services	634	684	691
2	Capital Goods	1,001	933	975
3	Fuel/Energy Related Activities	74,663	72,009	71,855
3a	*Full Service Electric Supply (Location-based)*	29,159	30,070	28,613
3b	*Delivery-Only Electric Supply (Location-based)*	45,505	41,939	41,122
3c	*Upstream Gas Supply*	1,400	1,394	2,120
4	Upstream Transportation and Distribution	27	23	25
5	Operational Waste	26	25	34
6	Business Travel[2]	2	5	11
7	Employee Commute	Not Yet Measured	Not Yet Measured	195
8	Upstream Leased Assets	1	2	2
9	Downstream Transportation and Distribution	Not Applicable	Not Applicable	Not Applicable
10	Processing of Sold Products	Not Applicable	Not Applicable	Not Applicable
11	Downstream Use of Sold Products	10,900	10,846	10,820
12	Downstream Leased Assets	Not Applicable	Not Applicable	Not Applicable
13	Franchises	Not Applicable	Not Applicable	Not Applicable
14	Investments	Not Applicable	Not Applicable	Not Applicable
15	End-of-Life Treatment of Sold Products	Not Applicable	Not Applicable	Not Applicable

[1] Data was revised to incorporate an inflation adjustment and break out upstream shipping.

[2] Scope 3 Business Travel emissions only—owned corporate aircraft is included under Scope 1 mobile emissions.

Scope 3 Accounting

There are 15 potential Scope 3 categories. Additional information on Scope 3 accounting can be found at ghgprotocol.org/scope-3-technical-calculationguidance. Exelon currently tracks and reports the Scope 3 emissions for those categories that are most relevant for our business, such as business travel, capital goods, purchased goods and services, upstream freight, electricity purchased or acquired to fulfill customer load (customer use of electricity), use of natural gas delivered by utilities (customer use of natural gas) and production of natural gas used by customers. This year we have expanded our Scope 3 reporting to include employee commuting based on our employee counts and locations combined with national commuting averages. Scope 3 categories that do not apply to our business (for which we would have zero emissions) include downstream transportation and distribution, processing of sold products, end-of life treatment of sold products, downstream leased assets, and franchises. We are still evaluating the applicability of the investments category.

Carbon Offsets and Net-Zero Accounting

With the establishment of Exelon's Path to Clean goal, Exelon is now in the process of developing a GHG offset strategy that aligns with emerging standards. With our primary focus now being on our 2030 50 percent reduction goal, our current efforts are first on reducing emissions where we can, and on supporting new technologies that can reduce emissions even further. We are beginning to explore GHG offsets and recognize that there may be a need to use them to meet our 2050 Net-Zero goal for emissions that cannot be otherwise reduced (currently estimated at 20 percent for our operations-driven inventory). We also are observing that the science and guidance around the use of GHG offsets is still emerging (with a current focus being placed on carbon removal and/or sequestration offsets). Therefore, we plan to continue to engage with stakeholders in that conversation as it develops and incorporate it as a piece of our longer-term strategy once there is more certainty around the methodology and expectations for accounting.

Currently one of our utilities uses Climate Reserve Tonnes offsets to offset on-site steam use for a LEED certification and another is exploring the creation of offsets for Prairie Grass restoration projects taking place on its Rights-of-Way. None of these offsets are currently incorporated into our 2030 50 percent reduction goal accounting. Additional disclosure will be provided as we develop a more comprehensive internal standard for offsets that will be counted long-term toward our Net-Zero by 2050 target.

Customer Abatement

Customer abatement refers to customer programs that result in avoided GHG emissions associated with customers' use of electricity. These include the BGE Smart Energy Savers Program®, ComEd and PECO Smart Ideas programs and the PHI Home Energy Savings program. All these programs help our customers reduce their electricity use through energy efficiency (EE) measures in conformance with state-mandated requirements. Our utilities are also procuring and retiring RECs for retail customer supply, in compliance with state-mandated renewable supply requirements, which similarly have GHG benefits that may only in part or indirectly translate into our overall Scope 3 emissions accounting and performance. This year we have begun to show the scale of the emissions avoided in association with these programs in context with our Path to Clean plan.

Avoided Emissions Through Customer Energy Efficiency and Demand Management

The customer EE estimates for GHG abatement are based on the MWh reported to the Energy Smart Savers in Maryland for BGE, to the Illinois Commerce Commission by ComEd, to the Pennsylvania Public Utility Commission by PECO and to the regulatory commissions associated with the PHI utilities. When estimating emissions avoided by these efforts, Exelon is using the PJM system mix average (lb/MWh) for the program year being reported. These are the emissions that may have been generated but for rebates and incentives of these programs. As customers may simultaneously add new electric uses, we do not always see these EE efforts as direct reductions to our Scope 3 emissions.

Avoided Emissions Through Enabling Distributed Renewable Energy Resources

Exelon presents estimations for avoided emissions associated with distributed renewable electric generation sources that our distribution systems help enable by permitting and supporting with distribution grid services. Avoided emissions are calculated based on the estimated generation based on photovoltaic system size at a 20 percent capacity factor, using the PJM system mix average (lb/MWh) for the program year being reported. Avoided emissions are estimates designed to give a sense (order of magnitude) of the amount of additional emissions that would be created if that amount of generation had not been produced and thus replaced by the remaining grid supply. This projection is one possible outcome, as actual replacement of generation would ultimately be driven by market function, fuel prices and viable and available technologies at a given time.

Avoided Emissions and Offsets[1][2]

Category	2021	2022	2023
Clean Attributes and Offsets (as $mtCO_2e$)			
Clean Electricity Attributes purchased for Corporate Buildings	−32	−32	−29
Verified Offsets Retired	−1	−1	0
Customer Abatement and Avoided Emissions (as $mtCO_2e$)			
Mandated Utility Customer Energy Efficiency Programs	−8,747	−9,517	−9,810
Utility Renewable Portfolio Standards Obligations	−4,428	−5,350	−4,087
Enabled Distributed Generation	−1,782	−1,986	−2,263

[1] All years reflect emissions associated with the PJM average emissions rate.

[2] Negative numbers indicate $mtCO_2e$ emissions avoided.

Supporting our Customers' GHG Accounting

As part of our participation with the Edison Electric Institute (EEI), Exelon utilities have begun to publish utility-specific residual emissions rates for the electricity that they sell and deliver. These are created from the PJM residual emissions rate, adjusting for the benefit of the renewable energy credits that they retire on behalf of their full-service customers to meet state-specific RPS obligations. These factors allow their customers to complete market-based GHG accounting by reflecting the RPS benefits they pay for in their rates. These efforts engage consumers in the efforts to drive decarbonization of the grid. Exelon similarly uses these factors in our Scope 2 market-based accounting where the electricity consumed for our own building use is included in the RPS-eligible load.

2023 EEI Supplier Residual Rates

	ACE	BGE	ComEd	DPL-MD	DPL-DE	PECO	PEPCO-D.C.	PEPCO-MD	PJM Average[1]	PJM Residual
Default Load Delivered (MWh)	5,688,267	12,638,282	24,990,747	2,303,430	6,880,803	14,155,888	3,362,002	5,952,770		
% Line Loss[2]	5.3%	6.1%	6.6%	4.6%	4.6%	4.9%	3.7%	3.7%		
State Clean Energy Standard	30.5% renewables	34.4% renewables	20.5% renewable; 17% nuclear	34.4% renewables	23% renewables	8% alternative resources	38.8% renewables	34.4% renewables		
Utility Residual Rate (lbs/MWh)	709	835	85	838	792	822	583	810	733	866
Technology Supply Breakdown (with RECs as purchased for RPS for Default Load)										
Coal	13%	16%	2%	16%	16%	17%	11%	16%	15%	17%
Oil	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Natural Gas	41%	49%	5%	50%	49%	44%	33%	48%	44%	54%
Other Fossil	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Nuclear	20%	24%	84%	25%	24%	22%	16%	24%	34%	27%
Hydro	0%	2%	0%	2%	0%	7%	0%	2%	1%	0%
Biomass	0%	2%	0%	1%	0%	2%	7%	4%	0%	0%
Wind	15%	1%	3%	1%	6%	2%	23%	1%	4%	0%
Solar	5%	3%	3%	2%	3%	3%	8%	4%	1%	0%
Geothermal	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other	4%	3%	0%	2%	2%	3%	1%	2%	1%	2%

[1] The PJM average emissions rate represents the emissions associated with all the power that flows on the PJM grid. The PJM residual emissions rate results with the removal of clean energy attributes that have been retired for regulatory and voluntary purposes. In 2022, the PJM residual rate was 926.9 lbs. CO_2/MWh. For more information, see the PJM GATS website.

[2] Represents accounting losses based upon utility FERC Form 1 filings.

Detailed Content Index

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Comments

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