Constellation Launches Sustainability Partnership With Microsoft Featuring 24/7/365 Real-Time Carbon-Free Energy Matching Solution

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Constellation and Microsoft in five-year strategic collaboration to lead the nation's clean energy transition

BALTIMORE--(BUSINESS WIRE)--Mar. 7, 2022-- Constellation (Nasdaq: CEG), America's leading clean energy company announced today it is collaborating with Microsoft on the development of a 24/7/365 energy matching technology solution that allows customers to fully achieve their zero emissions goals.

For more than 150 years, the electric power industry has been focused on matching generation capacity with customer demand to ensure 24/7/365 reliability. Constellation will soon be providing customers a better and more environmentally conscious option, utilizing breakthrough technology to match a customer's power needs with local carbon-free energy sources, 24 hours a day, seven days a week, 365 days a year.

By combining renewable and clean energy with exciting new technologies such as battery storage, fuel cells and hydrogen, Constellation will provide customers with a real-time, data-driven carbon accounting solution that goes beyond the current practice of annualizing renewable energy certificates and credits. As it develops this product, Constellation will be working with Microsoft to create software that gives customers a transparent and independently verified view of their sustainability efforts.

"Constellation is leading our nation's response to the climate crisis, and we are building new tools to accelerate progress on behalf of our customers. Our new 24/7/365 real-time energy matching solution will allow customers to fully achieve their zero emissions goals," said Joseph Dominguez, CEO of Constellation. "This Microsoft partnership aligns with both companies' commitment to advancing the critical transition to carbon-free energy. Our collective expertise supports customers' increasing need to understand and reduce their carbon footprints."

"In addition to collaborating with Constellation to develop the 24/7/365 solution, Microsoft will become one of its first customers, pioneering use of the new tools to intake, store, match and report emissions data on an hourly basis," said Ravi Krishnaswamy, corporate vice president, Microsoft Cloud for Industry. "Over time, we look forward to realizing additional synergies between the two companies to further enhance our ability to serve our customers while advancing Microsoft's commitment to sustainability."

Currently, most net zero clean energy supplies are achieved by offsetting energy use through clean energy certificates or credits on an annual basis, without considering where or when the energy was produced. Constellation and Microsoft's new 24/7/365 solution takes the guesswork out of carbon accounting by matching electricity use with a local clean energy source in real time. By providing hour-by-hour regional tracking, Constellation's 24/7/365 solution will be the most advanced, real-time carbon accounting solution of its kind, going beyond other net zero programs that aggregate clean energy megawatts over time, and giving customers clearer and more accurate data on their emissions impact.

The market for 24/7/365 real-time energy matching is growing and Constellation and Microsoft are among the companies at the forefront of this innovative, emerging new standard in carbon accounting and emissions goals. In December 2021, the U.S. government issued an executive order requiring federal government facilities to transition to 100 percent carbon-free electricity by 2030, committing that at least half will be locally supplied to meet 24/7/365 demand. To support this order, the U.S. Government has issued a Request for Information (RFI) from companies interested in supplying carbon-free electricity to federal government facilities. Constellation intends to submit an RFI for consideration and the partnership with Microsoft is a critical component to supporting this initiative.

Additional benefits of the partnership include:

- Microsoft will purchase a portion of its clean energy supply from Constellation over five years, representing the first power sales agreement between the two companies.
- Constellation will adopt Microsoft's Azure cloud platform to develop clean energy solutions with enhanced data analytics, enabling Constellation customers to better understand their environmental footprints and take action to achieve their environmental, social and corporate governance (ESG) goals.
- Constellation and Microsoft will seek to use their expansive customer bases and business partnerships to advance clean energy technology, including migration to Microsoft Azure and enhancements to Constellation's smart utility expense management platform, Pear.ai.

This announcement comes only a month after Constellation launched as the nation's largest provider of carbon-free energy with a host of sustainability products and services to help companies like Microsoft achieve their environmental objectives. Constellation also has set its own climate goal of achieving 95 percent carbon-free electricity by 2030 and 100 percent carbon-free electricity by 2040. In addition, Constellation plans to achieve 100 percent reduction of operations-driven emissions by 2040 and provide 100 percent of its business customers with customized data to help them reduce their own carbon footprints.

About Constellation

Constellation is the nation's largest producer of carbon-free energy and the leading competitive retail supplier of power and energy products and services for homes and businesses across the United States. Headquartered in Baltimore, its generation fleet powers more than 20 million homes and businesses and is helping to accelerate the nation's transition to clean energy with more than 32,400 megawatts of capacity and annual output that is

90 percent carbon-free. Constellation has set a goal to eliminate 100 percent of its greenhouse gas emissions by leveraging innovative technology and enhancing its diverse mix of hydro, wind and solar resources paired with the nation's largest carbon-free nuclear fleet. Constellation's family of retail businesses serves approximately 2 million residential, public sector and business customers, including three-fourths of the Fortune 100. Learn more at www.constellation.com or on Twitter at @ConstellationEG.

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