



Moody's Upgrades Constellation's Credit Rating as Policy Support and Growing Demand for Clean Energy Fuel Strong Financial Performance

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Company's long-term outlook improves with nuclear production tax credit and market recognition that nuclear energy is essential to clean energy transition

BALTIMORE--(BUSINESS WIRE)--Apr. 3, 2024-- Constellation's credit rating has been upgraded by the credit rating firm Moody's Investor Services ("Moody's") based on the company's improved debt coverage metrics and strong financial performance driven by climate policies that recognize the value of nuclear as a reliable clean energy resource. Moody's raised Constellation's rating to Baa1 from Baa2 and assigned a stable outlook, which reflects confidence in the company's ability to maintain its credit metrics and financial performance going forward. The largest producer of carbon-free energy in the U.S., Constellation has exceeded financial expectations since launching as an independent company two years ago. The upgrade by Moody's follows two similar upgrades by ratings firm S&P Global Ratings (S&P) since the company separated from Exelon Corp. in 2022.

"On both sides of the aisle in Washington and in boardrooms across America there is no commodity more valuable than carbon-free, clean energy that is always on when you need it," said Joe Dominguez, president and CEO of Constellation. "With the nation's largest nuclear fleet, backed by a commercial business that serves three-fourths of the Fortune 100, Constellation delivers more clean, reliable energy than any other U.S. company. Our portfolio of nuclear, wind, solar and hydro assets can help maintain American energy security and drive economic prosperity, while also making progress on climate change."

Moody's also improved the company's carbon transition score to its highest rating. Constellation produced about 10% of all carbon-free energy on the U.S. grid in 2023 and 90% of the company's total generation comes from clean sources. And extending the lifespan of Constellation's nuclear fleet by 20 years will create more additional carbon-free energy than all the solar and wind energy on the grid today.

The potential for increased plant longevity and energy output enabled by the Inflation Reduction Act are key factors in the improved long-term financial outlook Constellation recently disclosed in its earnings projections for 2024 and beyond. After years of flat growth, demand for electricity is projected to accelerate in the coming decade as concerns about the climate drive electrification across all sectors of the economy, including everything from transportation and digital infrastructure to home heating and cooling. As a result, major technology companies and other industries are looking to Constellation to help power their operations with clean energy. Examples include Microsoft, which signed a deal with Constellation to power one of its data centers in Virginia with a combination of nuclear and renewable energy, and Chicago utility ComEd, which signed an agreement to power its Illinois locations with clean nuclear energy from Constellation in every hour of every day.

In February, Constellation announced plans to grow its dividend per share by 25% this year, exceeding the company's dividend growth target of at least 10% annually. The company's financial performance also has enabled it to increase its support for the communities it serves. In 2023, Constellation, its nearly 14,000 employees and the Constellation Foundation contributed \$18.7 million in combined philanthropic giving in support of 4,400 charities, representing a nearly 50 percent increase from the previous year. You can learn more about the company's financial outlook [here](#).

About Constellation

A Fortune 200 company headquartered in Baltimore, Constellation Energy Corporation (Nasdaq: CEG) is the nation's largest producer of clean, carbon-free energy and a leading supplier of energy products and services to businesses, homes, community aggregations and public sector customers across the continental United States, including three fourths of Fortune 100 companies. With annual output that is nearly 90% carbon-free, our hydro, wind and solar facilities paired with the nation's largest nuclear fleet have the generating capacity to power the equivalent of 16 million homes, providing about 10% of the nation's clean energy. We are further accelerating the nation's transition to a carbon-free future by helping our customers reach their sustainability goals, setting our own ambitious goal of achieving 100% carbon-free generation by 2040, and by investing in promising emerging technologies to eliminate carbon emissions across all sectors of the economy. Follow Constellation on [LinkedIn](#) and [Twitter](#).

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