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

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
**February 27, 2024**
**Date of Report (Date of earliest event reported)**

| Commission File Number | Name of Registrant; State or Other Jurisdiction of Incorporation; Address of Principal Executive Offices; and Telephone Number | IRS Employer Identification Number |
|---|---|---|
| 001-41137 | CONSTELLATION ENERGY CORPORATION<br>(a Pennsylvania corporation)<br>1310 Point Street<br>Baltimore, Maryland 21231<br>(833) 883-0162 | 87-1210716 |
| 333-85496 | CONSTELLATION ENERGY GENERATION, LLC<br>(a Pennsylvania limited liability company)<br>200 Exelon Way<br>Kennett Square, Pennsylvania 19348-2473<br>(833) 883-0162 | 23-3064219 |

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

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

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| **CONSTELLATION ENERGY CORPORATION:** | | |
| Common Stock, without par value | CEG | The Nasdaq Stock Market LLC |

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

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

**Section 2 - Financial Information**
**Item 2.02. Results of Operations and Financial Condition.**
**Section 7 - Regulation FD**
**Item 7.01. Regulation FD Disclosure.**

On February 27, 2024, Constellation Energy Corporation ("Constellation") (Nasdaq: CEG) announced via press release its results for the fourth quarter ended December 31, 2023. A copy of the press release and related attachments are attached hereto as Exhibit 99.1.

Constellation will host a virtual investor and analyst event via webcast on February 27, 2024 to highlight Constellation's business and earnings outlook, a copy of the press release and slide presentation for the webcast are furnished as Exhibit 99.2 and Exhibit 99.3 respectively.

The webcast will begin with prepared remarks at 8:30 a.m. Eastern Time, 7:30 a.m. Central Time. The webcast and associated materials can be accessed at https://investors.constellationenergy.com.

This Form 8-K and the attached exhibits are provided under Items 2.02, 7.01 and 9.01 of Form 8-K and are furnished to, but not filed with, the Securities and Exchange Commission.

**Section 9 - Financial Statements and Exhibits**
**Item 9.01. Financial Statements and Exhibits**

*(d) Exhibits.*

| Exhibit No. | Description |
|---|---|
| 99.1 | Press release and earnings release attachments |
| 99.2 | Press release attachment |
| 99.3 | Business and earnings outlook conference call presentation slides |
| 101 | Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document. |
| 104 | The cover page from the Current Report on Form 8-K, formatted as Inline XBRL. |

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This combined Current Report on Form 8-K is being furnished separately by Constellation Energy Corporation and Constellation Energy Generation, LLC, (collectively, the "Registrants"). Information contained herein relating to one of the Registrants has been furnished by such Registrant on its own behalf. Neither Registrant makes any representation as to information relating to the other Registrant.

This report contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Words such as "could," "may," "expects," "anticipates," "will," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "predicts," 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 the Registrants include those factors discussed herein, as well as the items discussed in (1) the Registrants' 2023 Annual Report on Form 10-K (to be filed on February 27, 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 19, Commitments and Contingencies; and (2) other factors discussed in filings with the SEC by the Registrants.

Investors 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 report. Neither Registrant undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this report.

## SIGNATURES

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

**CONSTELLATION ENERGY CORPORATION**

/s/ Daniel L. Eggers
Daniel L. Eggers
Executive Vice President and Chief Financial Officer
Constellation Energy Corporation

**CONSTELLATION ENERGY GENERATION, LLC**

/s/ Daniel L. Eggers
Daniel L. Eggers
Executive Vice President and Chief Financial Officer
Constellation Energy Generation, LLC

February 27, 2024

**EXHIBIT INDEX**

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**Exhibit 99.1**
**News Release**


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# CONSTELLATION REPORTS FOURTH QUARTER AND FULL YEAR 2023 RESULTS

**Earnings Release Highlights**

- GAAP Net Loss of ($36) million and Adjusted EBITDA (non-GAAP) of $1,137 million for the fourth quarter of 2023. GAAP Net Income of $1,623 million and Adjusted EBITDA (non-GAAP) of $4,025 million for the full year 2023, exceeding the top end of our guidance range of $3,800 million to $4,000 million
- Delivered on our commitments to shareholders:
  - Expanded the nation's largest, highly reliable, carbon-free nuclear fleet by acquiring a partial ownership stake in the South Texas Project Nuclear Generating Station
  - Completed our initial $1 billion of share repurchases and authorized an additional $1 billion in continuation of the program, reinforcing our commitment to return value to shareholders
  - Our issuer credit rating was upgraded by Standard & Poor’s (S&P) for the second time since separation, from BBB to BBB+, reflecting our improving financial measures and risk profile
  - Doubled the annual per share dividend from the 2022 level
  - Commenced our $350 million project to expand our renewable energy portfolio by completing the repowering of Criterion and beginning the repowering of our Missouri wind generation facilities
- Recognized by Just Capital in its "Just 100" annual ranking that reflects the performance of America’s largest publicly traded companies based on a variety of key factors
- Ranked the No. 1 producer of carbon-free energy and have the lowest rate of carbon dioxide emissions for the 10th consecutive year amongst our peer group
- Received the Community Partnership Award from The Center for Energy Workforce Development for our work in building a skilled energy workforce that represents the diverse communities we serve
- Earned 2023 Great Place to Work® certification based on positive ratings from our employees on their experience working at Constellation

**Baltimore (Feb. 27, 2024)** — Constellation Energy Corporation (Nasdaq: CEG) today reported its financial results for the fourth quarter and full year 2023.

“We had extremely strong financial and operational performance as our nuclear fleet continued to achieve unmatched reliability, allowing us to deliver carbon-free energy to our customers in all hours of the day under some of the harshest weather conditions in decades,” said Joe Dominguez, president and CEO of Constellation. “Our generation fleet was matched by an industry-leading commercial business serving the most competitive large industrial customers and three-fourths of the Fortune 100 last year, including top names in technology and other industries seeking to drive economic growth with clean energy across our nation. We took a disciplined approach to growing our business in 2023, completing our acquisition of a partial stake in the South Texas Project nuclear plant, repowering our wind assets, taking steps to extend the life of our nuclear plants and investing in new equipment to increase their output. We are delivering our hourly-matched carbon-free energy product to top sustainability leaders, and our results reflect growing acknowledgement by our customers that nuclear energy delivers unique value that can’t be matched anywhere in the marketplace.”

“Our high investment grade balance sheet and the competitive advantage of our integrated generation and commercial business delivered exceptional financial performance in 2023, earning $4.025 billion in adjusted EBITDA, up from $2.667 billion in the previous year and over $900 million above the midpoint of our original guidance,” said Dan Eggers, chief financial officer of Constellation. “We continue to invest in organic and inorganic growth opportunities, while doubling our dividend, completing our $1 billion share repurchase program and authorizing a second $1 billion repurchase program in December.”

**Investor and Analyst Webcast Information**

We will host a virtual investor and analyst event via webcast to highlight Constellation’s business and earnings outlook for 2024 and beyond, scheduled for tomorrow at 8:30 a.m. Eastern Time. The webcast and associated materials can be accessed at https://investors.constellationenergy.com.

**Fourth Quarter 2023**

Our GAAP Net Loss for the fourth quarter of 2023 was ($36) million, down from $34 million GAAP Net Income in the fourth quarter of 2022. Adjusted EBITDA (non-GAAP) for the fourth quarter of 2023 increased to $1,137 million from $605 million in the fourth quarter of 2022. For the reconciliations of GAAP Net Income (Loss) to Adjusted EBITDA (non-GAAP), refer to the tables beginning on page 4.

Adjusted EBITDA (non-GAAP) in the fourth quarter of 2023 primarily reflects:

- Favorable market and portfolio conditions partially offset by unfavorable labor, contracting, and materials, decreased ZEC revenues, decreased capacity revenues, and unfavorable impacts of nuclear outages

**Full Year 2023**

Our GAAP Net Income for 2023 was $1,623 million, compared to ($160) million GAAP Net Loss in 2022. Adjusted EBITDA (non-GAAP) for 2023 increased to $4,025 million from $2,667 million in 2022.

Adjusted EBITDA (non-GAAP) for the full year 2023 primarily reflects:

- Favorable market and portfolio conditions partially offset by unfavorable labor, contracting, and materials, decreased capacity revenues, and unfavorable impacts of nuclear outages

**Recent Developments and 2023 Highlights**

- **Delivering on Our Capital Allocation Promises:** Through our strong free cash flows we delivered on our commitments announced last year to grow the business and return capital to shareholders. We grew our nuclear fleet with our acquisition of an undivided ownership interest in the South Texas Project Nuclear Generating Station, a 2,645-megawatt, dual-unit nuclear plant located about 90 miles southwest of Houston, for $1.65 billion, further expanding our contribution to a carbon-free future. We completed our initial $1 billion of share repurchases, buying back nearly 10.6 million shares. In December our Board of Directors approved expanding the program for an additional $1 billion, reinforcing our continued commitment to return value to shareholders. We received our second issuer credit rating upgrade from S&P since separation, from BBB to BBB+, reflecting their view that the financial risk has significantly improved with the nuclear production tax credit (PTC). We doubled our dividend from the 2022 level. During the year we also commenced our previously announced $350 million effort to increase the output and lifespan of our renewable energy portfolio, beginning with the repowering of our Criterion and Missouri wind facilities.

- **No. 1 Producer of Carbon-Free Energy:** For the 10th consecutive year we are the nation’s largest producer of carbon-free energy and have the lowest rate of carbon dioxide emissions among the 20 largest private, investor-owned power producers in the United States, according to an independent analysis based on publicly reported 2021 air emissions data. The annual Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States report showed that the next cleanest company among the group of 20 had more than four-and-a-half times the rate of carbon dioxide emissions as Constellation.

- **Just Capital "Just 100":** Just Capital recognized Constellation in its “Just 100,” an annual ranking that reflects the performance of America’s largest publicly traded companies based on a variety of issues deemed by Americans to be most important in business today. Key factors for selection range from how a company invests in its employees and communities, to how it treats customers and minimizes environmental impact.

- **Community Partnership Award:** We received the Community Partnership Award from The Center for Energy Workforce Development (CEWD) for our work in building a skilled energy workforce that represents the diverse communities we serve. The award recognizes our multi-faceted efforts to establish lasting and impactful relationships with our local community — including educators, minority facing organizations, workforce development nonprofits and others — to fuel the energy talent pipeline. We also teamed up with CEWD to sponsor its Energy Industry Fundamentals 2.0 program. The interactive, 120-hour curriculum for high school and technical school students aims to provide expanded energy education and career awareness to 500,000 students over the next decade.

- **2023 Great Place to Work Certification:** In the third quarter we were Certified™ by Great Place To Work®. The designation is based on how our employees rate their experience working at Constellation. In a survey of about 5,000 of our employees, 81% of those who responded said it is a great place to work – about 24 points higher than the average U.S. company. Great Place To Work® is acknowledged worldwide as a global benchmark for workplace culture, employee experience and the leadership behaviors proven to deliver strong market performance, employee retention and increased innovation.

- **Nuclear Operations:** Our nuclear fleet, including our owned output from the Salem and South Texas Project (STP) Generating Stations, produced 45,563 gigawatt-hours (GWhs) in the fourth quarter of 2023, compared with 44,436 GWhs in the fourth quarter of 2022. Excluding Salem and STP, our nuclear plants at ownership achieved a 95.1% capacity factor for the fourth quarter of 2023, compared with 95.4% for the fourth quarter of 2022. There were 56 planned refueling outage days in the fourth quarter of 2023 and 65 in the fourth quarter of 2022. There were seven non-refueling outage days in the fourth quarter of 2023 and three in the fourth quarter of 2022.

- **Natural Gas, Oil, and Renewables Operations:** The dispatch match rate for our gas and hydro fleet was 97.5% in the fourth quarter of 2023, compared with 96.1%[1] in the fourth quarter of 2022. Energy capture for the wind and solar fleet was 96.3% in the fourth quarter of 2023, compared with 96.7%[1] in the fourth quarter of 2022.

**GAAP/Adjusted EBITDA (non-GAAP) Reconciliation**

Adjusted EBITDA (non-GAAP) for the three and twelve months ended December 31, 2023 and 2022 does not include the following items that were included in our reported GAAP Net Income:

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|---|---|---|---|---|
| (in millions) | 2023 | 2022 | 2023 | 2022 |
| **GAAP Net Income (Loss) Attributable to Common Shareholders** | **$ (36)** | **$ 34** | **$ 1,623** | **$ (160)** |
| Income Tax (Benefit) Expense | 158 | 133 | 840 | (339) |
| Depreciation and Amortization | 288 | 272 | 1,096 | 1,091 |
| Interest Expense, Net | 139 | 64 | 431 | 251 |
| Unrealized Loss (Gain) on Fair Value Adjustments | 1,002 | 413 | 658 | 1,058 |
| Asset Impairments | — | — | 71 | — |
| Plant Retirements and Divestitures | — | (7) | (28) | (11) |
| Decommissioning-Related Activities | (439) | (306) | (716) | 820 |
| Pension & OPEB Non-Service Credits | (14) | (31) | (54) | (116) |
| Separation Costs | 17 | 41 | 101 | 140 |
| Acquisition Related Costs | 9 | — | 12 | — |
| ERP System Implementation Costs | 5 | 6 | 25 | 22 |
| Change in Environmental Liabilities | 15 | (2) | 43 | 10 |
| Prior Merger Commitment | — | — | — | (50) |
| Noncontrolling Interests | (7) | (12) | (77) | (49) |
| **Adjusted EBITDA (non-GAAP)** | **$ 1,137** | **$ 605** | **$ 4,025** | **$ 2,667** |

[1]Prior year dispatch match and energy capture was previously reported as 96.6% and 95.9%, respectively. The update reflects a change to include the Conowingo run-of-river hydroelectric operational performance within renewable energy capture, and remove the performance from dispatch match.

**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.

**Non-GAAP Financial Measures**

In analyzing and planning for our business, we supplement our use of net income as determined under generally accepted accounting principles in the United States (GAAP), with Adjusted EBITDA (non-GAAP) as a performance measure. Adjusted EBITDA (non-GAAP) reflects an additional way of viewing our business that, when viewed with our GAAP results and the accompanying reconciliation to GAAP net income included above, may provide a more complete understanding of factors and trends affecting our business. Adjusted EBITDA (non-GAAP) should not be relied upon to the exclusion of GAAP financial measures and is, by definition, an incomplete understanding of our business, and must be considered in conjunction with GAAP measures. In addition, Adjusted EBITDA (non-GAAP) is neither a standardized financial measure, nor a presentation defined under GAAP and may not be comparable to other companies’ presentations or deemed more useful than the GAAP information provided elsewhere in this press release and earnings release attachments. We have provided the non-GAAP financial measure as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. Adjusted EBITDA (non-GAAP) should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP Net Income measure provided in this earnings release and attachments. This press release and earnings release attachments provide reconciliations of Adjusted EBITDA (non-GAAP) to the most directly comparable financial measures calculated and presented in accordance with GAAP and are posted on our website: www.ConstellationEnergy.com, and have been furnished to the Securities and Exchange Commission on Form 8-K on February 27, 2024.

**Cautionary Statements Regarding Forward-Looking Information**

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Words such as “could,” “may,” “expects,” “anticipates,” “will,” “targets,” “goals,” “projects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “predicts,” 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 Constellation Energy Corporation and Constellation Energy Generation, LLC, (Registrants) include those factors discussed herein, as well as the items discussed in (1) the Registrants' 2023 Annual Report on Form 10-K (to be filed on February 27, 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 19, Commitments and Contingencies, and (2) other factors discussed in filings with the SEC by the Registrants.

Investors 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 press release. Neither of the Registrants undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this press release.

**Earnings Release Attachments**
**Table of Contents**

**Constellation Energy Corporation and Subsidiary Companies**
**Consolidated Statements of Operations**
(unaudited)
(in millions)

| | Three Months Ended December 31, 2023 | Twelve Months Ended December 31, 2023 |
|---|---|---|
| **Operating revenues** | $ 5,796 | $ 24,918 |
| **Operating expenses** | | |
| Purchased power and fuel | 4,018 | 16,001 |
| Operating and maintenance | 1,422 | 5,685 |
| Depreciation and amortization | 288 | 1,096 |
| Taxes other than income taxes | 134 | 553 |
| **Total operating expenses** | 5,862 | 23,335 |
| **Gain (loss) on sales of assets and businesses** | (1) | 27 |
| **Operating income (loss)** | (67) | 1,610 |
| **Other income and (deductions)** | | |
| Interest expense, net | (139) | (431) |
| Other, net | 349 | 1,268 |
| **Total other income and (deductions)** | 210 | 837 |
| **Income (loss) before income taxes** | 143 | 2,447 |
| **Income tax (benefit) expense** | 182 | 859 |
| **Equity in losses of unconsolidated affiliates** | — | (11) |
| **Net income (loss)** | (39) | 1,577 |
| **Net income (loss) attributable to noncontrolling interests** | (3) | (46) |
| **Net income (loss) attributable to common shareholders** | $ (36) | $ 1,623 |

| | Three Months Ended December 31, 2022 | Twelve Months Ended December 31, 2022 |
|---|---|---|
| **Operating revenues** | $ 7,333 | $ 24,440 |
| **Operating expenses** | | |
| Purchased power and fuel | 5,708 | 17,462 |
| Operating and maintenance | 1,375 | 4,841 |
| Depreciation and amortization | 272 | 1,091 |
| Taxes other than income taxes | 138 | 552 |
| **Total operating expenses** | 7,493 | 23,946 |
| **Gain (loss) on sales of assets and businesses** | (12) | 1 |
| **Operating income (loss)** | (172) | 495 |
| **Other income and (deductions)** | | |
| Interest expense, net | (64) | (251) |
| Other, net | 383 | (786) |
| **Total other income and (deductions)** | 319 | (1,037) |
| **Income (loss) before income taxes** | 147 | (542) |
| **Income tax (benefit) expense** | 116 | (388) |
| **Equity in losses of unconsolidated affiliates** | (4) | (13) |
| **Net income (loss)** | 27 | (167) |
| **Net income (loss) attributable to noncontrolling interests** | (7) | (7) |
| **Net income (loss) attributable to common shareholders** | $ 34 | $ (160) |
| | | |
| **Change in Net income (loss) from 2022 to 2023** | $ (70) | $ 1,783 |

**Constellation Energy Corporation and Subsidiary Companies**
**Consolidated Balance Sheets**
(unaudited)
(in millions)

| | December 31, 2023 | December 31, 2022 |
|---|---|---|
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | $ 368 | $ 422 |
| Restricted cash and cash equivalents | 86 | 106 |
| Accounts receivable | | |
| Customer accounts receivable (net of allowance for credit losses of $56 and $46 as of December 31, 2023 and 2022, respectively) | 1,934 | 2,585 |
| Other accounts receivable (net of allowance for credit losses of $5 as of December 31, 2023 and 2022) | 917 | 731 |
| Mark-to-market derivative assets | 1,179 | 2,368 |
| Inventories, net | | |
| Natural gas, oil, and emission allowances | 284 | 429 |
| Materials and supplies | 1,216 | 1,076 |
| Renewable energy credits | 660 | 617 |
| Other | 1,655 | 1,026 |
| **Total current assets** | 8,299 | 9,360 |
| **Property, plant, and equipment, net** | 22,116 | 19,822 |
| **Deferred debits and other assets** | | |
| Nuclear decommissioning trust funds | 16,398 | 14,114 |
| Investments | 563 | 202 |
| Goodwill | 425 | 47 |
| Mark-to-market derivative assets | 995 | 1,261 |
| Deferred income taxes | 52 | 44 |
| Other | 1,910 | 2,059 |
| **Total deferred debits and other assets** | 20,343 | 17,727 |
| **Total assets** | $ 50,758 | $ 46,909 |

| | December 31, 2023 | December 31, 2022 |
|---|---|---|
| **Liabilities and shareholders' equity** | | |
| **Current liabilities** | | |
| Short-term borrowings | $ 1,644 | $ 1,159 |
| Long-term debt due within one year | 121 | 143 |
| Accounts payable and accrued expenses | 2,612 | 3,734 |
| Mark-to-market derivative liabilities | 632 | 1,558 |
| Renewable energy credit obligation | 972 | 901 |
| Other | 338 | 344 |
| **Total current liabilities** | 6,319 | 7,839 |
| **Long-term debt** | 7,496 | 4,466 |
| **Deferred credits and other liabilities** | | |
| Deferred income taxes and unamortized ITCs | 3,209 | 3,031 |
| Asset retirement obligations | 14,118 | 12,699 |
| Pension obligations | 1,070 | 605 |
| Non-pension postretirement benefit obligations | 732 | 609 |
| Spent nuclear fuel obligation | 1,296 | 1,230 |
| Payables related to Regulatory Agreement Units | 3,688 | 2,897 |
| Mark-to-market derivative liabilities | 419 | 983 |
| Other | 1,125 | 1,178 |
| **Total deferred credits and other liabilities** | 25,657 | 23,232 |
| **Total liabilities** | 39,472 | 35,537 |
| **Commitments and contingencies** | | |
| **Shareholders' equity** | | |
| Common stock | 12,355 | 13,274 |
| Retained earnings (deficit) | 761 | (496) |
| Accumulated other comprehensive income (loss), net | (2,191) | (1,760) |
| **Total shareholders' equity** | 10,925 | 11,018 |
| Noncontrolling interests | 361 | 354 |
| **Total equity** | 11,286 | 11,372 |
| **Total liabilities and shareholders' equity** | $ 50,758 | $ 46,909 |

**Constellation Energy Corporation and Subsidiary Companies**
**Consolidated Statements of Cash Flows**
(unaudited)
(in millions)

| | Twelve Months Ended December 31, 2023 | Twelve Months Ended December 31, 2022 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net income (loss) | $ 1,577 | $ (167) |
| Adjustments to reconcile net income (loss) to net cash flows provided by (used in) operating activities | | |
| Depreciation, amortization, and accretion, including nuclear fuel and energy contract amortization | 2,514 | 2,427 |
| Deferred income taxes and amortization of ITC | 251 | (643) |
| Net fair value changes related to derivatives | 996 | 986 |
| Net realized and unrealized (gains) losses on NDT funds | (476) | 794 |
| Net realized and unrealized (gains) losses on equity investments | (307) | 13 |
| Other non-cash operating activities | 18 | 248 |
| Changes in assets and liabilities: | | |
| Accounts receivable | 396 | (868) |
| Receivables from and payables to affiliates, net | — | 20 |
| Inventories | 60 | (228) |
| Accounts payable and accrued expenses | (1,330) | 1,142 |
| Option premiums received (paid), net | 26 | (177) |
| Collateral received (posted), net | (1,491) | (351) |
| Income taxes | 325 | 162 |
| Pension and non-pension postretirement benefit contributions | (54) | (237) |
| Other assets and liabilities | (7,806) | (5,474) |
| Net cash flows provided by (used in) operating activities | (5,301) | (2,353) |
| **Cash flows from investing activities** | | |
| Capital expenditures | (2,422) | (1,689) |
| Proceeds from NDT fund sales | 5,822 | 4,050 |
| Investment in NDT funds | (6,050) | (4,271) |
| Collection of DPP, net | 7,340 | 4,964 |
| Proceeds from sales of assets and businesses | 24 | 52 |
| Acquisitions of assets and businesses | (1,690) | (29) |
| Other investing activities | 7 | 27 |
| Net cash flows provided by (used in) investing activities | 3,031 | 3,104 |
| **Cash flows from financing activities** | | |
| Change in short-term borrowings | 146 | 257 |
| Proceeds from short-term borrowings with maturities greater than 90 days | 539 | — |
| Repayments of short-term borrowings with maturities greater than 90 days | (200) | (1,180) |
| Issuance of long-term debt | 3,195 | 14 |
| Retirement of long-term debt | (168) | (1,162) |
| Retirement of long-term debt to affiliate | — | (258) |
| Contributions from Exelon | — | 1,750 |
| Dividends paid on common stock | (366) | (185) |
| Repurchases of common stock | (992) | — |
| Other financing activities | 42 | (35) |
| Net cash flows provided by (used in) financing activities | 2,196 | (799) |
| **Increase (decrease) in cash, restricted cash, and cash equivalents** | (74) | (48) |
| **Cash, restricted cash, and cash equivalents at beginning of period** | 528 | 576 |
| **Cash, restricted cash, and cash equivalents at end of period** | $ 454 | $ 528 |

**Constellation Energy Corporation**
**Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA (non-GAAP) and Analysis of Earnings**
Three Months Ended December 31, 2023 and 2022
(unaudited)
(in millions)

| | | |
|---|---|---|
| **2022 GAAP Net Income (Loss) Attributable to Common Shareholders** | **$** | **34** |
| Income Tax (Benefit) Expense (1) | | 133 |
| Depreciation and Amortization | | 272 |
| Interest Expense, Net | | 64 |
| Unrealized Loss (Gain) on Fair Value Adjustments (2) | | 413 |
| Plant Retirements and Divestitures | | (7) |
| Decommissioning-Related Activities (3) | | (306) |
| Pension & OPEB Non-Service Credits | | (31) |
| Separation Costs (4) | | 41 |
| ERP System Implementation Costs (5) | | 6 |
| Change in Environmental Liabilities | | (2) |
| Noncontrolling Interests (6) | | (12) |
| **2022 Adjusted EBITDA (non-GAAP)** | **$** | **605** |
| **Year Over Year Effects on Adjusted EBITDA (non-GAAP):** | | |
| Market and Portfolio Conditions (7) | | 775 |
| ZEC Revenue (8) | | (79) |
| PJM Performance Bonuses, Net (9) | | (55) |
| Labor, Contracting and Materials (10) | | (39) |
| Capacity Revenue (11) | | (43) |
| Nuclear Outages (12) | | (40) |
| Other | | 13 |
| **Total Year Over Year Effects on Adjusted EBITDA (non-GAAP)** | **$** | **532** |
| **2023 GAAP Net Income (Loss) Attributable to Common Shareholders** | **$** | **(36)** |
| Income Tax (Benefit) Expense (1) | | 158 |
| Depreciation and Amortization | | 288 |
| Interest Expense, Net | | 139 |
| Unrealized Loss (Gain) on Fair Value Adjustments (2) | | 1,002 |
| Decommissioning-Related Activities (3) | | (439) |
| Pension & OPEB Non-Service Credits | | (14) |
| Separation Costs (4) | | 17 |
| Acquisition Related Costs | | 9 |
| ERP System Implementation Costs (5) | | 5 |
| Change in Environmental Liabilities | | 15 |
| Noncontrolling Interests (6) | | (7) |
| **2023 Adjusted EBITDA (non-GAAP)** | **$** | **1,137** |

(1) Includes amounts contractually owed to Exelon under the Tax Matters Agreement (TMA) reflected in Other, net.
(2) Includes mark-to-market on economic hedges and fair value adjustments related to gas imbalances and equity investments.
(3) Reflects all gains and losses associated with Nuclear Decommissioning Trusts (NDT), Asset Retirement Obligation (ARO) accretion, ARO remeasurement, and impacts of contractual offset for Regulatory Agreement Units.
(4) Represents certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the Transition Services Agreement (TSA).
(5) Reflects costs related to a multi-year Enterprise Resource Program (ERP) system implementation.
(6) Represents elimination of the noncontrolling interest related to certain adjustments.
(7) Favorable market and portfolio conditions primarily driven by higher realized margins on load contracts and generation-to-load optimization.
(8) Lower ZEC revenues primarily driven by lower Illinois ZEC prices in the current planning year.
(9) Reflects lower net bonus payments from PJM related to the December 2022 weather event in 2023 financial results compared to 2022, due to higher net revenue recorded in 2022, net of collectability reserves, compared to incremental net revenue in 2023 reflective of the final FERC-approved settlement.
(10) Primarily reflects increased employee-related costs, including labor and other incentives.
(11) Reflects decreased capacity revenues primarily in the Mid-Atlantic.
(12) Reflects volume and operating and maintenance impact of nuclear outages.

**Constellation Energy Corporation**
**Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA (non-GAAP) and Analysis of Earnings**
Twelve Months Ended December 31, 2023 and 2022
(unaudited)
(in millions)

| | | |
|---|---|---|
| **2022 GAAP Net Income (Loss) Attributable to Common Shareholders** | **$** | **(160)** |
| Income Tax (Benefit) Expense (1) | | (339) |
| Depreciation and Amortization | | 1,091 |
| Interest Expense, Net | | 251 |
| Unrealized Loss (Gain) on Fair Value Adjustments (2) | | 1,058 |
| Plant Retirements and Divestitures | | (11) |
| Decommissioning-Related Activities (3) | | 820 |
| Pension & OPEB Non-Service Credits | | (116) |
| Separation Costs (4) | | 140 |
| ERP System Implementation Costs (5) | | 22 |
| Change in Environmental Liabilities | | 10 |
| Prior Merger Commitment (6) | | (50) |
| Noncontrolling Interests (7) | | (49) |
| **2022 Adjusted EBITDA (non-GAAP)** | **$** | **2,667** |
| **Year Over Year Effects on Adjusted EBITDA (non-GAAP):** | | |
| Market and Portfolio Conditions (8) | | 2,123 |
| Labor, Contracting and Materials (9) | | (349) |
| Capacity Revenue (10) | | (247) |
| Nuclear Outages (11) | | (157) |
| Other | | (12) |
| **Total Year Over Year Effects on Adjusted EBITDA (non-GAAP)** | **$** | **1,358** |
| **2023 GAAP Net Income (Loss) Attributable to Common Shareholders** | **$** | **1,623** |
| Income Tax (Benefit) Expense (1) | | 840 |
| Depreciation and Amortization | | 1,096 |
| Interest Expense, Net | | 431 |
| Unrealized Loss (Gain) on Fair Value Adjustments (2) | | 658 |
| Asset Impairments | | 71 |
| Plant Retirements and Divestitures | | (28) |
| Decommissioning-Related Activities (3) | | (716) |
| Pension & OPEB Non-Service Credits | | (54) |
| Separation Costs (4) | | 101 |
| Acquisition Related Costs | | 12 |
| ERP System Implementation Costs (5) | | 25 |
| Change in Environmental Liabilities | | 43 |
| Noncontrolling Interests (7) | | (77) |
| **2023 Adjusted EBITDA (non-GAAP)** | **$** | **4,025** |

(1) Includes amounts contractually owed to Exelon under the TMA reflected in Other, net.
(2) Includes mark-to-market on economic hedges and fair value adjustments related to gas imbalances and equity investments.
(3) Reflects all gains and losses associated with NDTs, ARO accretion, ARO remeasurement, and impacts of contractual offset for Regulatory Agreement Units.
(4) Represents certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the TSA.
(5) Reflects costs related to a multi-year ERP system implementation.
(6) Reversal of a charge related to a 2012 merger commitment.
(7) Represents elimination of the noncontrolling interest related to certain adjustments.
(8) Favorable market and portfolio conditions primarily driven by higher realized margins on load contracts and generation-to-load optimization.
(9) Primarily reflects increased employee-related costs, including labor and other incentives, and certain non-essential maintenance work.
(10) Reflects decreased capacity revenues primarily in the Mid-Atlantic and Midwest.
(11) Reflects volume and operating and maintenance impact of nuclear outages, including Salem.

**Constellation Energy Corporation**
**GAAP Consolidated Statements of Operations and**
**Adjusted EBITDA (non-GAAP) Reconciling Adjustments**
(unaudited)
(in millions, except per share data)

| | Three Months Ended December 31, 2023 | | | Three Months Ended December 31, 2022 | | |
|---|---|---|---|---|---|---|
| | GAAP [(a)] | Non-GAAP Adjustments | | GAAP [(a)] | Non-GAAP Adjustments | |
| **Operating revenues** | $ 5,796 | $ (84) | (b),(c) | $ 7,333 | $ (713) | (b),(c) |
| **Operating expenses** | | | | | | |
| Purchased power and fuel | 4,018 | (898) | (b) | 5,708 | (1,125) | (b) |
| Operating and maintenance | 1,422 | (83) | (c),(d),(f),(l),(n) | 1,375 | (86) | (c),(d),(f),(g),(l) |
| Depreciation and amortization | 288 | (288) | (h) | 272 | (272) | (h) |
| Taxes other than income taxes | 134 | — | | 138 | — | |
| **Total operating expenses** | 5,862 | | | 7,493 | | |
| **Gain (loss) on sales of assets and businesses** | (1) | — | | (12) | — | |
| **Operating income (loss)** | (67) | | | (172) | | |
| **Other income and (deductions)** | | | | | | |
| Interest expense, net | (139) | 139 | (i) | (64) | 64 | (i) |
| Other, net | 349 | (326) | (b),(c),(e),(m) | 383 | (367) | (b),(c),(d),(e),(f),(g),(j),(m) |
| **Total other income and (deductions)** | 210 | | | 319 | | |
| **Income (loss) before income taxes** | 143 | | | 147 | | |
| **Income tax (benefit) expense** | 182 | (182) | (j) | 116 | (116) | (j) |
| **Equity in income (losses) of unconsolidated affiliates** | — | — | | (4) | — | |
| **Net income (loss)** | (39) | | | 27 | | |
| **Net income (loss) attributable to noncontrolling interests** | (3) | 7 | (k) | (7) | 12 | (k) |
| **Net income (loss) attributable to common shareholders** | $ (36) | | | $ 34 | | |
| **Effective tax rate** | 127.3 % | | | 78.9 % | | |
| **Earnings per average common share** | | | | | | |
| Basic | $ (0.11) | | | $ 0.10 | | |
| Diluted | $ (0.11) | | | $ 0.10 | | |
| **Average common shares outstanding** | | | | | | |
| Basic | 320 | | | 328 | | |
| Diluted | 321 | | | 329 | | |

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(a) Results reported in accordance with GAAP.
(b) Adjustment for mark-to-market on economic hedges and fair value adjustments related to gas imbalances and equity investments.
(c) Adjustment for all gains and losses associated with NDTs, ARO accretion, ARO remeasurement, and any earnings neutral impacts of contractual offset for Regulatory Agreement Units.
(d) Adjustment for certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the TSA.
(e) Adjustment for Pension and Other Postretirement Employee Benefits (OPEB) Non-Service credits.
(f) Adjustment for costs related to a multi-year ERP system implementation.
(g) Adjustments related to plant retirements and divestitures.
(h) Adjustment for depreciation and amortization expense.
(i) Adjustment for interest expense.
(j) Adjustment for income taxes.
(k) Adjustment for elimination of the noncontrolling interest related to certain adjustments.
(l) Adjustment for certain changes in environmental liabilities.
(m) Adjustment includes amounts contractually owed to Exelon under the TMA.
(n) Adjustment for acquisition related costs.

**Constellation Energy Corporation**
**GAAP Consolidated Statements of Operations and**
**Adjusted EBITDA (non-GAAP) Reconciling Adjustments**
(unaudited)
(in millions, except per share data)

| | Twelve Months Ended December 31, 2023 | | | Twelve Months Ended December 31, 2022 | | |
|---|---|---|---|---|---|---|
| | GAAP [(a)] | Non-GAAP Adjustments | | GAAP [(a)] | Non-GAAP Adjustments | |
| **Operating revenues** | $ 24,918 | $ (1,404) | (b),(c) | $ 24,440 | $ 1,184 | (b),(c) |
| **Operating expenses** | | | | | | |
| Purchased power and fuel | 16,001 | (2,365) | (b) | 17,462 | 138 | (b) |
| Operating and maintenance | 5,685 | (343) | (c),(d),(f),(l),(o),(p) | 4,841 | (28) | (c),(d),(e),(f),(g),(l),(n) |
| Depreciation and amortization | 1,096 | (1,096) | (h) | 1,091 | (1,091) | (h) |
| Taxes other than income taxes | 553 | — | | 552 | (2) | (d) |
| **Total operating expenses** | 23,335 | | | 23,946 | | |
| **Gain (loss) on sales of assets and businesses** | 27 | (27) | (g) | 1 | 1 | (g) |
| **Operating income (loss)** | 1,610 | | | 495 | | |
| **Other income and (deductions)** | | | | | | |
| Interest expense, net | (431) | 431 | (i) | (251) | 251 | (i) |
| Other, net | 1,268 | 1,184 | (b),(c),(e),(m) | (786) | 845 | (b),(c),(d),(e),(g),(j),(m) |
| **Total other income and (deductions)** | 837 | | | (1,037) | | |
| **Income (loss) before income taxes** | 2,447 | | | (542) | | |
| **Income tax (benefit) expense** | 859 | (859) | (j) | (388) | 388 | (j) |
| **Equity in income (losses) of unconsolidated affiliates** | (11) | — | | (13) | — | |
| **Net income (loss)** | 1,577 | | | (167) | | |
| **Net income (loss) attributable to noncontrolling interests** | (46) | 77 | (k) | (7) | 49 | (k) |
| **Net income (loss) attributable to common shareholders** | $ 1,623 | | | $ (160) | | |
| **Effective tax rate** | 35.1 % | | | 71.6 % | | |
| **Earnings per average common share** | | | | | | |
| Basic | $ 5.02 | | | $ (0.49) | | |
| Diluted | $ 5.01 | | | $ (0.49) | | |
| **Average common shares outstanding** | | | | | | |
| Basic | 323 | | | 328 | | |
| Diluted | 324 | | | 329 | | |

(a) Results reported in accordance with GAAP.
(b) Adjustment for mark-to-market on economic hedges and fair value adjustments related to gas imbalances and equity investments.
(c) Adjustment for all gains and losses associated with NDTs, ARO accretion, ARO remeasurement, and any earnings neutral impacts of contractual offset for Regulatory Agreement Units.
(d) Adjustment for certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the TSA.
(e) Adjustment for Pension and OPEB Non-Service credits.
(f) Adjustment for costs related to a multi-year ERP system implementation
(g) Adjustments related to plant retirements and divestitures.
(h) Adjustment for depreciation and amortization expense.
(i) Adjustment for interest expense.
(j) Adjustment for income taxes.
(k) Adjustment for elimination of the noncontrolling interest related to certain adjustments.
(l) Adjustment for certain changes in environmental liabilities.
(m) Adjustment includes amounts contractually owed to Exelon under the tax matters agreement.
(n) Reversal of a charge related to a prior 2012 merger commitment.
(o) Adjustment for an asset impairment.
(p) Adjustment for acquisition related costs.

## Statistics

| | Three Months Ended December 31, 2023 | Three Months Ended December 31, 2022 | Twelve Months Ended December 31, 2023 | Twelve Months Ended December 31, 2022 |
|---|---|---|---|---|
| **Supply Source (GWhs)** | | | | |
| Nuclear Generation[a] | | | | |
| Mid-Atlantic | 13,340 | 13,942 | 53,012 | 53,214 |
| Midwest | 23,793 | 24,011 | 93,768 | 95,090 |
| New York[b] | 6,709 | 6,483 | 25,546 | 25,046 |
| ERCOT | 1,721 | — | 1,721 | — |
| Total Nuclear Generation | 45,563 | 44,436 | 174,047 | 173,350 |
| Natural Gas, Oil, and Renewables | | | | |
| Mid-Atlantic | 548 | 524 | 2,014 | 2,097 |
| Midwest | 310 | 372 | 1,024 | 1,202 |
| ERCOT | 3,635 | 3,106 | 16,877 | 14,124 |
| Other Power Regions[c] | 1,966 | 2,518 | 8,512 | 10,189 |
| Total Natural Gas, Oil, and Renewables | 6,459 | 6,520 | 28,427 | 27,612 |
| Purchased Power | | | | |
| Mid-Atlantic | 2,895 | 3,202 | 16,509 | 15,366 |
| Midwest | 257 | 185 | 984 | 610 |
| ERCOT | 818 | 720 | 5,530 | 3,575 |
| Other Power Regions[c] | 11,317 | 11,167 | 44,192 | 51,131 |
| Total Purchased Power | 15,287 | 15,274 | 67,215 | 70,682 |
| Total Supply/Sales by Region | | | | |
| Mid-Atlantic | 16,783 | 17,668 | 71,535 | 70,677 |
| Midwest | 24,360 | 24,568 | 95,776 | 96,902 |
| New York[b] | 6,709 | 6,483 | 25,546 | 25,046 |
| ERCOT | 6,174 | 3,826 | 24,128 | 17,699 |
| Other Power Regions[c] | 13,283 | 13,685 | 52,704 | 61,320 |
| **Total Supply/Sales by Region** | 67,309 | 66,230 | 269,689 | 271,644 |

| | Three Months Ended December 31, 2023 | Three Months Ended December 31, 2022 | Twelve Months Ended December 31, 2023 | Twelve Months Ended December 31, 2022 |
|---|---|---|---|---|
| **Outage Days[d]** | | | | |
| Refueling | 56 | 65 | 256 | 212 |
| Non-refueling | 7 | 3 | 51 | 54 |
| **Total Outage Days** | 63 | 68 | 307 | 266 |

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(a) Includes the proportionate share of output where we have an undivided ownership interest in jointly-owned generating plants and the total output for fully owned plants.
(b) Other Power Regions includes New England, South, West, and Canada.
(c) Outage days exclude Salem and STP.

| ZEC Reference Prices | Three Months Ended December 31, 2023 | Three Months Ended December 31, 2022 | Twelve Months Ended December 31, 2023 | Twelve Months Ended December 31, 2022 |
|---|---|---|---|---|
| **State (Region)** | | | | |
| New Jersey (Mid-Atlantic)[(a)] | $ 10.00 | $ 9.88 | $ 9.95 | $ 9.93 |
| Illinois (Midwest) | 0.30 | 12.01 | 5.18 | 13.88 |
| New York (New York) | 18.27 | 21.38 | 19.05 | 21.38 |

| Capacity Reference Prices | Three Months Ended December 31, 2023 | Three Months Ended December 31, 2022 | Twelve Months Ended December 31, 2023 | Twelve Months Ended December 31, 2022 |
|---|---|---|---|---|
| **Location (Region)** | | | | |
| Eastern Mid-Atlantic Area Council (Mid-Atlantic) | $ 49.49 | $ 97.86 | $ 69.64 | $ 126.14 |
| ComEd (Midwest) | 34.13 | 68.96 | 48.64 | 121.71 |
| Rest of State (New York) | 109.07 | 72.44 | 137.88 | 85.36 |
| Southeast New England (Other) | 66.67 | 126.67 | 91.67 | 138.21 |

| Electricity Reference Prices | Three Months Ended December 31, 2023 | Three Months Ended December 31, 2022 | Twelve Months Ended December 31, 2023 | Twelve Months Ended December 31, 2022 |
|---|---|---|---|---|
| **Location (Region)** | | | | |
| PJM West (Mid-Atlantic) | $ 36.37 | $ 68.62 | $ 33.06 | $ 72.90 |
| ComEd (Midwest) | 26.31 | 52.26 | 26.64 | 60.24 |
| Central (New York) | 27.33 | 47.40 | 26.97 | 57.52 |
| North (ERCOT) | 27.37 | 52.12 | 55.15 | 64.38 |
| Southeast Massachusetts (Other)[(b)] | 34.95 | 77.07 | 37.35 | 86.02 |

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(a) The ZEC price is expected to be $10.00/MWh for each delivery period and is subject to an annual update once full year generation is known. Following the latest annual update, on August 16, 2023 the ZEC price for the delivery period beginning June 1, 2022 through May 31, 2023 was calculated to be $9.88.

(b) Reflects New England, which comprises the majority of the activity in the Other region.

**Exhibit 99.2**
**News Release**

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# CONSTELLATION FORECASTS STRONG EARNINGS GROWTH IN 2024 AND BEYOND AS DEMAND AND SUPPORT FOR CLEAN ENERGY BUILDS

- Initiating full-year Adjusted (Non-GAAP) Operating Earnings per share guidance of $7.23 to $8.03
- Nuclear PTC provides earnings visibility and platform for growth
- Announcing 25% dividend per share growth, exceeding 10% annual dividend growth target
- Started next $1 billion in share repurchases
- Targeting long-term base EPS growth of at least 10% through the decade

**BALTIMORE (Feb. 27, 2024) —** Marking the start of its third year as an independent company, Constellation, the nation's largest producer of carbon-free energy, will host a virtual investor and analyst event via webcast today to lay out a forecast for earnings growth based on the strength of its industry-leading commercial business and market and policy recognition that nuclear energy is essential to addressing the climate crisis while preserving grid reliability and the nation's energy security.

"The most valuable commodity in the world today remains clean energy that can be depended on in every hour of every day, and no U.S. company is better positioned to deliver on that promise than Constellation, which has more clean, reliable nuclear capacity than all other U.S. competitive generators combined," said Joe Dominguez, president and CEO of Constellation. "State and federal policies, bipartisan political support, public opinion surveys and increased customer demand for reliable and clean energy all point to strong and growing support for nuclear energy to power our economy for decades to come. Combined with our industry-leading Commercial business that helps our customers achieve their climate goals, we see a growing landscape of opportunities to continue building our business and lead the clean energy transition."

**Highlights from the Investor Update**

**Strong financial outlook with predictable earnings**: Constellation initiated guidance for 2024 Adjusted (Non-GAAP) Operating Earnings of $7.23 to $8.03 per share. The Adjusted (Non-GAAP) Operating Earnings guidance excludes the effects of the following from projected GAAP net income:

- Unrealized impacts of fair value adjustments
- Decommissioning-related activities
- Pension and Other Postretirement Employment Benefit (OPEB) non-service credits
- Separation costs
- Enterprise Resource Program (ERP) system implementation
- Other items not directly related to the ongoing operations of the business
- Noncontrolling interest related to exclusion items

The nuclear production tax credit (PTC) in the IRA provides a stable foundation for consistent and growing earnings that will allow Constellation to continue investing in growth opportunities, including by adding clean energy generation to its fleet through uprates, repowering wind assets, license extensions and asset acquisitions while also returning capital to shareholders. The PTC provides revenue visibility and also preserves Constellation's ability to capture upside from tightening power market conditions.

**Long-term base EPS growth of at least 10%:** Constellation is targeting long-term base earnings per share (EPS) growth of at least 10% through the decade backstopped by the nuclear production tax credit in the Inflation Reduction Act (IRA) and effective deployment of our strong free cash flow generation.

Base earnings, a significant component of total Adjusted (Non-GAAP) Operating Earnings, are consistent, visible earnings that will grow over time and can be modeled using simple price times quantity calculations, such as expected generation volumes times price or customer margins times volumes. The company has opportunities to grow base earnings faster by monetizing the value of the reliable, carbon-free nuclear power generated at its Clean Energy Centers through hourly carbon-free matching solutions, behind-the-meter opportunities like data centers or hydrogen, government clean energy procurements or higher market prices.

**Constellation's Assets Are Unmatched**

**Growth fueled by customer demand**: With a customer-facing business that serves three fourths of Fortune 100 companies and 21% of the competitive C&I market, Constellation is well positioned to meet the growing needs of digital infrastructure and other essential industries looking for reliable, carbon-free electricity to power economic growth. U.S. electricity demand is expected to grow twice as fast through 2030 compared with the past decade, while at the same time the grid is growing more dependent on intermittent resources. Major tech companies alone are expected to make significant investments to expand our nation's digital infrastructure over the next five years, with data centers growing from 2% to 7.5% of U.S. electricity demand by 2030. The nation's top technology firms have set goals to power this growth with clean and dependable energy. Growing recognition of nuclear energy as a reliable clean energy resource creates opportunities for Constellation to forge new customer relationships and capture additional value from our 180 million MWh of annual clean energy output.

**World-class operations are a competitive advantage**: Constellation is ranked No. 1 in operational metrics among major nuclear operators, with our clean-energy fleet avoiding the equivalent of 251 million metric tons of carbon dioxide pollution over the past two years. The company's nuclear fleet achieved a 94.6% capacity factor from 2022-2023, approximately 4% above recent industry average. That additional output compared with industry peers is the equivalent of having another reactor's worth of power or $335 million in additional annual revenue (pre-tax).

**Returning value to shareholders:** 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. This brings the total dividend increase to 150% in two years. The company completed its first $1 billion stock repurchase plan last year, and in December the board approved an additional $1 billion repurchase with $150 million already executed.

**Dividend Declaration:** Our Board of Directors has declared a quarterly dividend of $0.3525 per share on our common stock. The dividend is payable on Tuesday, March 19, 2024, to shareholders of record as of 5 p.m. Eastern time on Friday, March 8, 2024.

**Webcast Information**

The Constellation investor call will begin at 8:30 a.m. Eastern Time. The webcast and associated materials can be accessed https://investors.constellationenergy.com.

**Non-GAAP Financial Measures**

Beginning in 2024, in analyzing and planning for our business, we will be supplementing our use of net income as determined under generally accepted accounting principles in the United States (GAAP), with Adjusted (non-GAAP) Operating Earnings as a performance measure. Adjusted (non-GAAP) Operating Earnings reflects an additional way of viewing our business that, when viewed with our GAAP results and an accompanying reconciliation to GAAP net income, may provide a more complete understanding of factors and trends affecting our business. Adjusted (non-GAAP) Operating Earnings should not be relied upon to the exclusion of GAAP financial measures and is, by definition, an incomplete understanding of our business, and must be considered in conjunction with GAAP measures. In addition, Adjusted (non-GAAP) Operating Earnings is neither a standardized financial measure, nor a presentation defined under GAAP and may not be comparable to other companies' presentations or deemed more useful than the GAAP information provided elsewhere, including in our 2024 Business and Earnings Outlook presentation, which is posted on our website at: www.ConstellationEnergy.com. We have provided the non-GAAP financial measure as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. Adjusted (non-GAAP) Operating Earnings should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP Net Income measure . This press release and 2024 Business and Earnings Outlook presentation provide reconciliations of Adjusted (non-GAAP) Operating Earnings to the most directly comparable financial measures calculated and presented in accordance with GAAP and , in addition to being posted on our website, have been furnished to the Securities and Exchange Commission on Form 8-K on February 27, 2024.

**Cautionary Statements Regarding Forward-Looking Information**

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Words such as "could," "may," "expects," "anticipates," "will," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "predicts," 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 Constellation Energy Corporation and Constellation Energy Generation, LLC, (Registrants) include those factors discussed herein, as well as the items discussed in (1) the Registrants' 2023 Annual Report on Form 10-K (to be filed on February 27, 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 19, Commitments and Contingencies, and (2) other factors discussed in filings with the SEC by the Registrants.

Investors 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 press release. Neither of the Registrants undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this press release.

**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.

Constellation

# Business and Earnings Outlook

February 27, 2024

# Cautionary Statements Regarding Forward-Looking Information

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The factors that could cause actual results to differ materially from the forward-looking statements made by Constellation Energy Corporation and Constellation Energy Generation, LLC, (Registrants) include those factors discussed herein, as well as the items discussed in (1) the Registrants’ combined 2023 Annual Report on Form 10-K (to be filed on February 27, 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, (c) Part II, ITEM 8. Financial Statements and Supplementary Data: Note 19, Commitments and Contingencies; and (2) other factors discussed in filings with the SEC by the Registrants.

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# Non-GAAP Financial Measures

The Registrants report their financial results in accordance with accounting principles generally accepted in the United States (GAAP). Constellation supplements the reporting of financial information determined in accordance with GAAP with certain non-GAAP financial measures, including:

- ***Adjusted operating earnings*** exclude certain costs, expenses, gains and losses and other specified items, including mark-to-market adjustments from economic hedging activities and fair value adjustments related to gas imbalances and equity investments, decommissioning related activity, asset impairments, certain amounts associated with plant retirements and divestitures, pension and other post-employment benefits (OPEB) non-service credits, separation related costs and other items as set forth in the Appendix
- ***Adjusted EBITDA*** represents earnings before interest, income taxes, depreciation and amortization, and excludes certain costs, expenses, gains and losses and other specified items, including mark-to-market adjustments from economic hedging activities and fair value adjustments related to gas imbalances and equity investments, decommissioning related activity, asset impairments, certain amounts associated with plant retirements and divestitures, pension and other post-employment benefits (OPEB) non-service credits, separation related costs and other items as set forth in the Appendix; includes nuclear fuel amortization expense
- ***Adjusted cash flows from operations*** primarily includes net cash flows from operating activities and collection of Deferred Purchase Price (DPP) related to the revolving accounts receivable arrangement, which is presented in cash flows from investing activities under GAAP
- ***Free cash flows before growth (FCFbg)*** is adjusted cash flows from operations less capital expenditures under GAAP for maintenance and nuclear fuel, non-recurring capital expenditures related to separation and Enterprise Resource Program (ERP) system implementation, changes in collateral, net merger and acquisitions, and equity investments and other items as set forth in the Appendix
- ***Gross margin*** is defined as adjusted operating revenues less adjusted purchased power and fuel expense, excluding revenue related to decommissioning, gross receipts tax, variable interest entities, and net of direct cost of sales for certain end-user businesses
  - ***Adjusted operating revenues*** excludes the mark-to-market impact of economic hedging activities due to the volatility and unpredictability of the future changes in commodity prices
  - ***Adjusted purchased power and fuel*** excludes the mark-to-market impact of economic hedging activities and fair value adjustments related to gas imbalances due to the volatility and unpredictability of the future changes in commodity prices
- ***Adjusted operating and maintenance (O&M)*** excludes direct cost of sales for certain end-user businesses, Asset Retirement Obligation (ARO) accretion expense from unregulated units and decommissioning costs that do not affect profit and loss, the impact from operating and maintenance expense related to variable interest entities at Constellation, and other items as set forth in the reconciliation in the Appendix

Due to the forward-looking nature of some projected non-GAAP financial measures, reconciliations of projected non-GAAP financial measures to the most directly comparable GAAP financial measure is not provided because we are unable to provide such reconciliation without unreasonable effort. The inability to provide each reconciliation is due to the unpredictability of the amounts and timing of events affecting the items we exclude from the non-GAAP measures.



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## Non-GAAP Financial Measures Continued

This information is intended to enhance an investor's overall understanding of period over period financial results and provide an indication of Constellation's baseline operating performance by excluding items that are considered by management to be not directly related to the ongoing operations of the business. In addition, this information is among the primary indicators management uses as a basis for evaluating performance, allocating resources, setting incentive compensation targets and planning and forecasting of future periods.

These non-GAAP financial measures are not a presentation defined under GAAP and may not be comparable to other companies' presentations of similarly titled financial measures. Constellation has provided these non-GAAP financial measures as supplemental information and in addition to the financial measures that are calculated and presented in accordance with GAAP. These non-GAAP measures should not be deemed more useful than, a substitute for, or an alternative to the most comparable GAAP measures provided in the materials presented.

Non-GAAP financial measures are identified by the phrase "non-GAAP" or an asterisk (*). Reconciliations of these non-GAAP measures to the most comparable GAAP measures are provided in the appendices and attachments to this presentation.



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# Constellation – Our Assets Are Unmatched

- Visible, Double-Digit Long-Term Base EPS Growth Backed by the Nuclear Production Tax Credit (PTC)
- Best and Largest Operator of Carbon-Free, Long-Lived, 24/7 Nuclear Plants
- Growing Product Opportunities Through Leading Customer Platform
- Uniquely Positioned to Support Economic Growth and Electric System Reliability
- Strong Free Cash Flows and High Investment Grade Balance Sheet
- 180M MWhs of Carbon-Free Electricity Will Benefit from Higher Prices and Attribute Payments



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# We Delivered on Our Commitments Made at January 2022 Analyst Day

| | |
|---|---|
| Deliver on financial commitments | • Exceeded midpoint of full-year EBITDA guidance in 2022 and top-end of revised guidance in 2023 |
| Maintain investment grade credit ratings | • Upgraded two notches at S&P (BBB+) and on Positive Outlook at Moody's (Baa2) |
| Grow the dividend 10% annually | • Grew dividend 150% in first two years and continue to target 10% growth annually |
| Return capital to shareholders | • Completed $1B share repurchase in 2023 and have started next $1B share repurchase program |
| Disciplined approach to M&A | • Acquired partial ownership stake in South Texas Project Nuclear Plant |
| Commercialize new sustainability products | • Delivering hourly-matched carbon-free energy (CFE) products to sustainability leaders<br>• Grew Constellation Offsite Renewables (CORe)[1] product sales by 157% |
| Best-in-class operations | • Ranked #1 in operational metrics among major nuclear generators<br>• Strong C&I customer renewal, win-rates and satisfaction scores<br>• Strong performance of power fleet through summers and winters |
| Secure nuclear fuel | • Nuclear fuel 100% secured into 2029 with fuel cycle contracts into the 2030s |
| Deliver reliable, clean, carbon-free energy | • Average nuclear capacity factor of 94.6% from 2022-2023<br>• 251 million metric tons of carbon dioxide avoided |
| Drive clean energy policy | • Successfully advocated for inclusion of the nuclear PTC in the landmark climate legislation, the Inflation Reduction Act |
| Create new value from generation fleet | • Capital commitments for nuclear uprates, hydrogen, behind-the-meter (BTM) investments, and wind repowering |
| License renewals | • Systematic program established to extend the useful lives of our fleet pending policy support, with first wave of license renewals being submitted |

(1) Constellation's offsite renewables product (CORe) suite combines location-specific renewable energy purchases and renewable energy certificates (RECs) with a physical load-following energy supply contract



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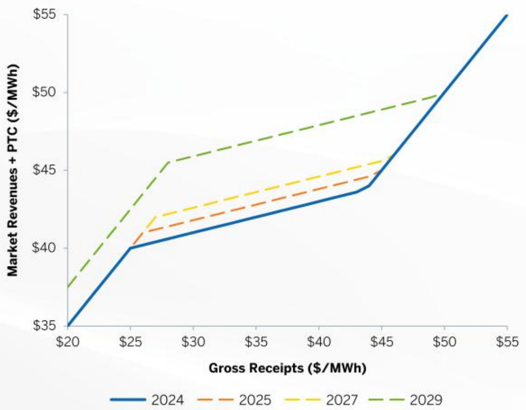
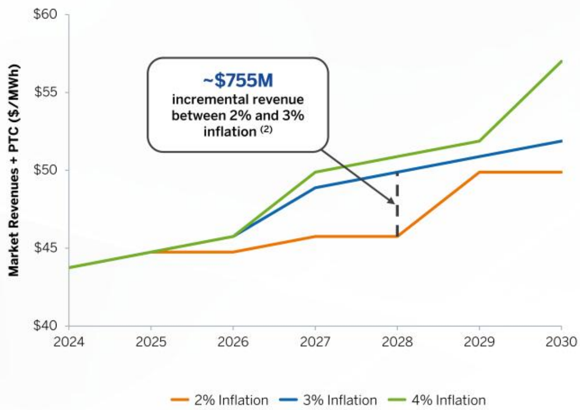
# The PTC Provides Revenue Visibility and Supports Revenue Growth

### Illustrative Payoff Dynamics Assuming 2% Inflation (1)




### Higher Inflation Results in Higher Nuclear PTC Floor Price (1)




(1) Additional detail can be found on pages 44-45 in the appendix
(2) Reflects 184 million MWh of expected nuclear generation multiplied by the difference in PTC floor prices under 2% and 3% inflation scenarios

# Bipartisan Support for Nuclear Energy

## Public Opinion (1)

**1.5x** more people support nuclear energy's use than oppose it

**Reliability** is the public's highest-priority energy attribute

**3x more** respondents want to keep using nuclear power rather than phase it out

> "In the United States, we acted to bolster our reliance on our nuclear energy facilities – which generates more than half of our carbon free power. And we're just getting started"
>
> **President Joe Biden**

> "We will begin to revive and expand our nuclear energy sector — which I'm so happy about — which produces clean, renewable and emissions-free energy. A complete review of U.S. nuclear energy policy will help us find new ways to revitalize this crucial energy resource"
>
> **Former President Donald Trump**

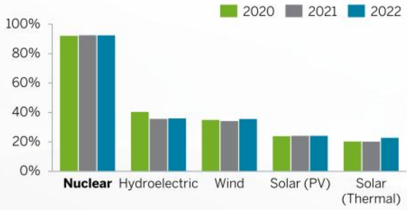
**State and Federal legislation has been passed recognizing the importance of nuclear power to grid reliability and addressing the climate crisis**

- **Aug 2022** Federal Nuclear PTC
- **Nov 2021** Federal Civil Nuclear Credit Program
- **Aug 2021** Illinois CMC Program
- **Dec 2018** New Jersey ZEC
- **2017** Connecticut PPAs
- **Dec 2016** Illinois ZEC
- **Aug 2016** New York ZEC

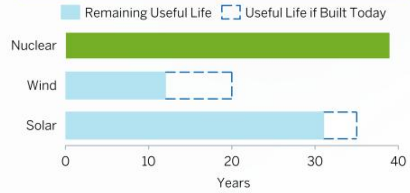
(1) Source: Radiant Energy Group, "Public Attitudes Toward Clean Energy," 2023

# Nuclear is an Unparalleled Source of Electricity [1]

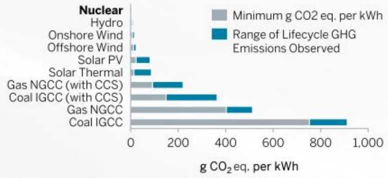
### Highest Capacity Factors [2]




### Existing Nuclear Will Operate Longer Than All Existing Renewables and Any Being Built Today

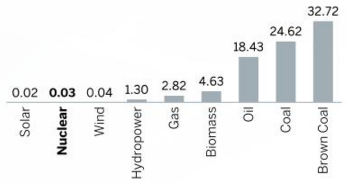



### Lowest GHG Lifecycle Emissions of Power Generators [3]




**Nuclear is unique in that every gram of spent nuclear fuel is accounted for and ultimate green fielding of sites is pre-funded**

### Nuclear Has One of the Lowest Mortality Rates per TWh of Electricity [4]




(1) Source: https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/as-power-plant-fleet-age-holds-at-28-us-nuclear-fleet-hits-middle-age-milestone-72411273
(2) Source: https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=table_6_07_b
(3) Source: https://unece.org/sites/default/files/2022-04/LCA_3_FINAL%20March%202022.pdf
(4) Source: https://ourworldindata.org/grapher/death-rates-from-energy-production-per-twh; mortality rates are measured based on deaths from accidents and air pollution per terawatt-hour (TWh) of electricity



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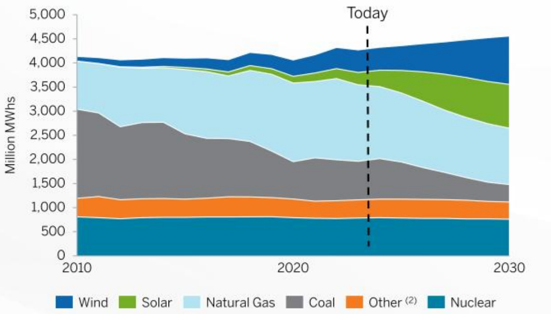
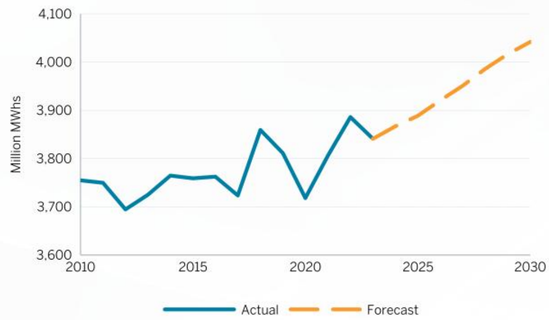
# Supply is Becoming More Intermittent While Power Demand is Growing

**U.S. Generation Stack [1]**




**U.S. Demand 2010 to 2030 [1]**




**The replacement of retiring baseload generation with intermittent resources will impact grid reliability**

**U.S. electricity demand is forecast to grow twice as fast through 2030 as it has over the last decade**

(1) Source: U.S. Energy Information Administration (EIA)
(2) Other includes petroleum, conventional hydroelectric power, geothermal, wood and other biomass, pumped storage, non-biogenic municipal waste in the electric power sector, refinery gas, still gas, batteries, chemicals, hydrogen, pitch, purchased steam, sulfur, and miscellaneous technologies



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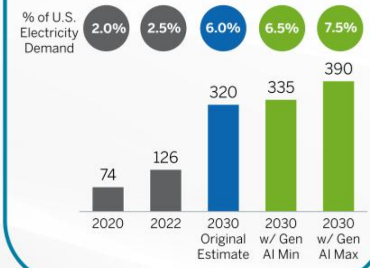
# AI and Data Center Growth Will Drive Power Demand

**Data center electricity consumption in the U.S. is growing (TWhs) (1)**




In the next five years, consumers and businesses **will generate twice as much data** as all the data created over the past 10 years (2)

Major tech companies are expected to invest **$1 trillion** in data centers over next 5 years (3)

AI data center racks could require **7 times more power** than traditional data center racks (4)

Global colocation MW for data centers will grow at **15.2% CAGR** over the next five years (2)

(1) Boston Consulting Group, the Impact of Electricity; https://www.linkedin.com/posts/bcg-on-energy_the-impact-of-genai-in-electricity-activity-7112787574032674816-uDEX
(2) JLL, "Data Centers 2024 Global Outlook"; https://www.us.jll.com/en/trends-and-insights/research/data-center-outlook
(3) Business Insider, "AI Data Centers Are Booming, Sucking Up Water, Energy and Land," https://www.businessinsider.com/ai-data-energy-centers-water-energy-land-2023-10
(4) Wall Street Journal, "AI-Ready Data Centers are Poised for Fast Growth," https://www.wsj.com/articles/ai-ready-data-centers-are-poised-for-fast-growth-fadae952



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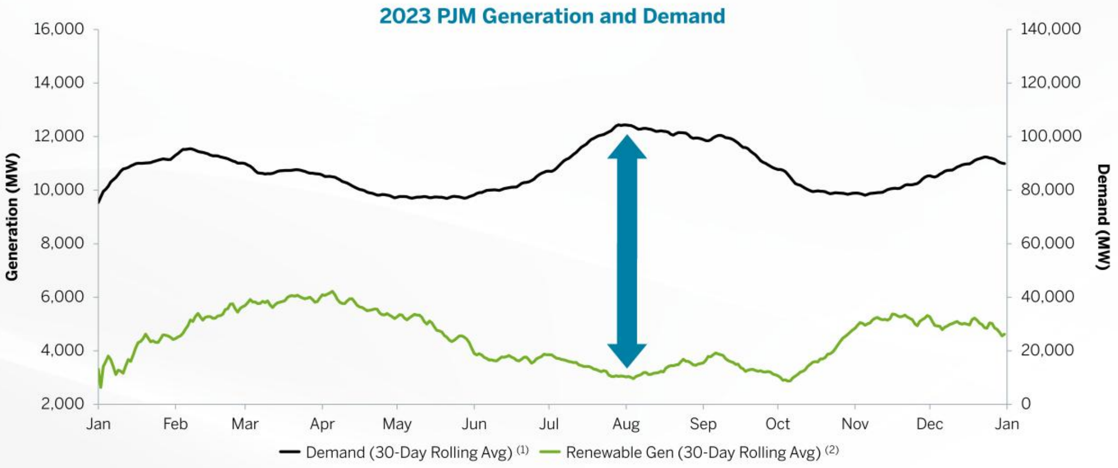
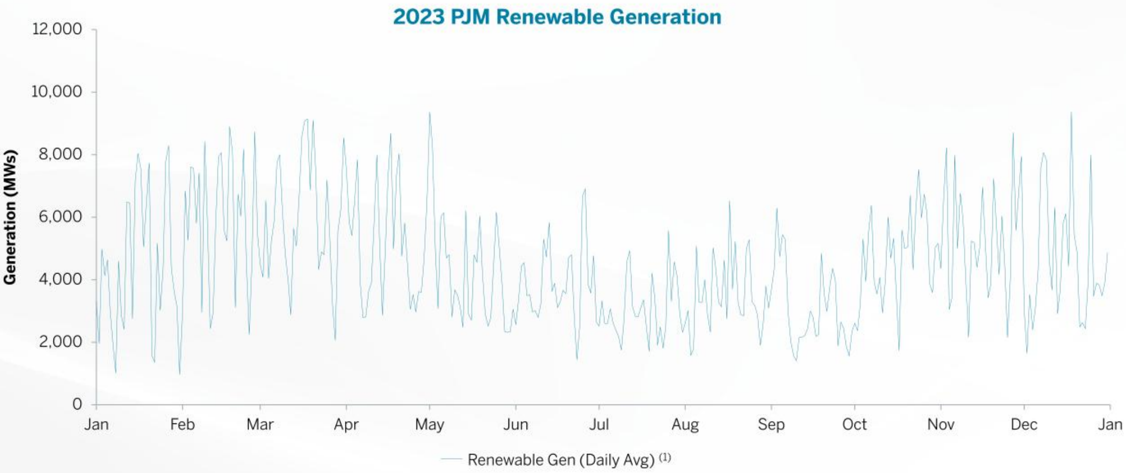
# Renewable Generation is Low When Demand is High




(1) Source: PJM Hourly Load (Preliminary); https://dataminer2.pjm.com/feed/hrl_load_prelim
(2) Source: PJM Generation by Fuel Type; https://dataminer2.pjm.com/feed/gen_by_fuel

# Day-to-Day, Renewable Generation Can Swing as Much as Turning On or Off Five Nuclear Reactors in PJM




(1) Source: PJM Generation by Fuel Type: https://dataminer2.pjm.com/feed/gen_by_fuel



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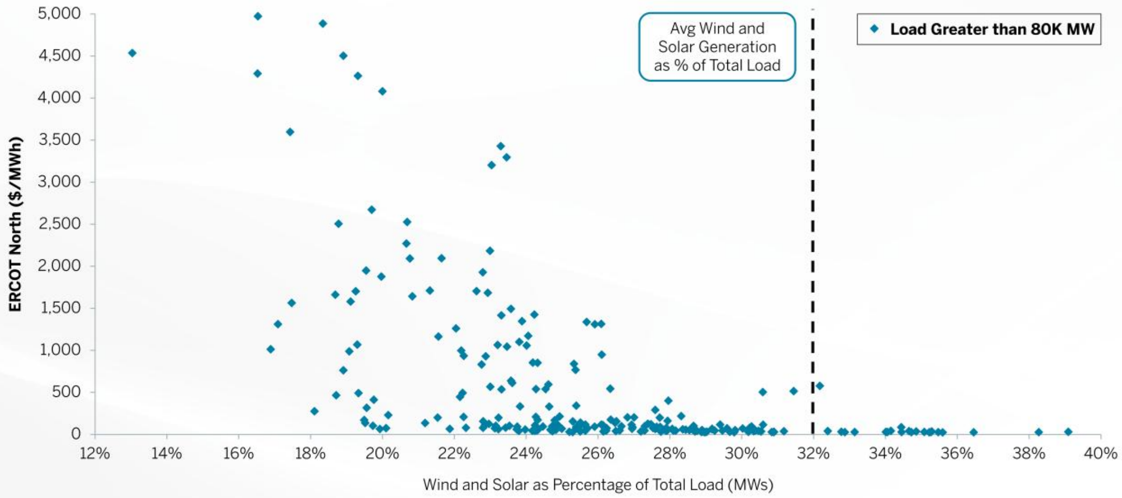
## Prices Spike in ERCOT When Renewables Are Unavailable




Sources: ERCOT (https://www.ercot.com/gridinfo/load/forecast); EIA (https://www.eia.gov/outlooks/aeo/data/browser/#/?id=62-AEO2023&region=5-1&cases=ref2023)

# Our Reliable, Carbon-Free Power Can Capture Additional Value

## Timeline of MWhs Available for Attribute Payments [1]


## Attribute Payments Provide Substantial Upside [1,2]

| | | Revenue Uplift ($M) | |
|---|---|---|---|
| Percentage of Total Capacity | Volume (million MWhs) | $10 Attribute Value | $20 Attribute Value |
| 25% | 45 | 450 | 900 |
| 50% | 90 | 900 | 1,800 |
| 75% | 135 | 1,350 | 2,700 |

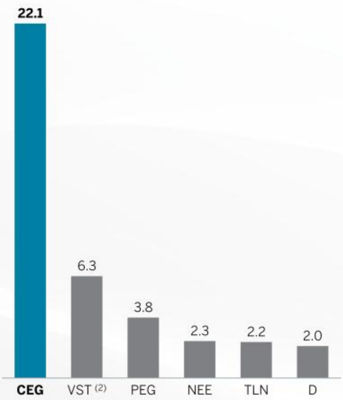
## Paths for Additional Value Creation

- **Data Centers**
- **Carbon-Free Energy Solutions**
- **State and Federal Clean Energy Procurements**
- **Hydrogen**

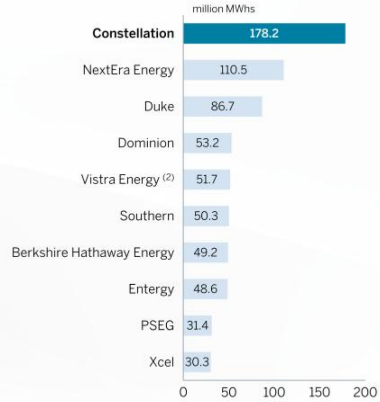
(1) Attribute payment is defined as compensation for carbon-free, reliable, hourly-matched energy attributes that are not currently reflected in market pricing
(2) Assumes 94% capacity factor

# We Have More Clean, Reliable, Nuclear Capacity than All Other Competitive Generators Combined

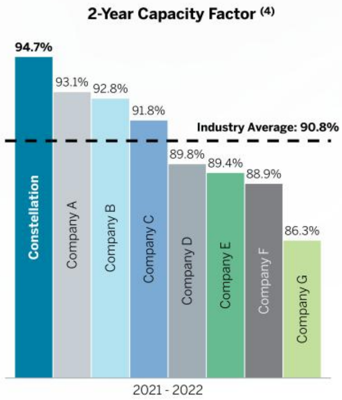
**Competitive Nuclear Generation Capacity (GWs) (1)**




**Largest Producers of Carbon-Free Generation (1,3)**




**Constellation is the Best Operator of Nuclear Plants in the U.S.**




(1) Reflected at ownership share
(2) Adjusted to include Energy Harbor
(3) Reflects 2021 regulated and non-regulated generation. Source: Benchmarking Air Emissions, November 2023: https://www.ceres.org/resources/reports/benchmarking-air-emissions-100-largest-electric-power-producers-united-states-2023
(4) Source: Constellation's internal benchmarking report.



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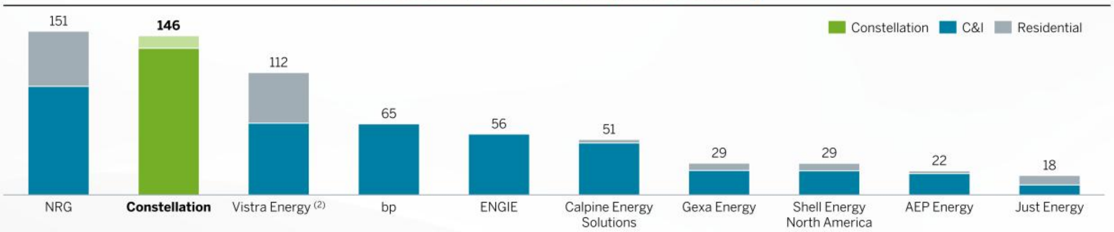
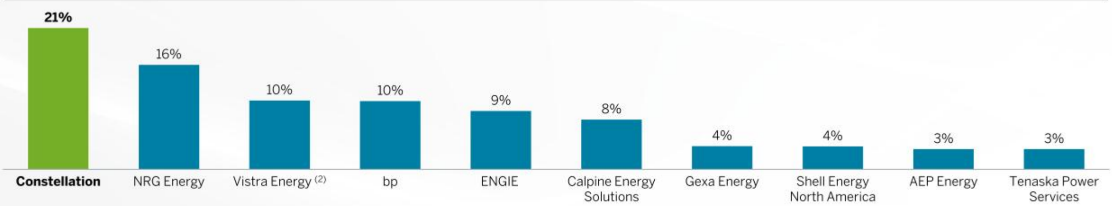
# Constellation Serves 21% of the Competitive C&I Market

## Retail Electric Load Served (million MWhs) (1)




## C&I Market Share (1)




(1) Source: DNV GL Retail Landscape June 2023. Numbers reflect annualized non-residential customer load under contract as of December 2022.
(2) Adjusted to include Energy Harbor



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# Uniquely Positioned to Help C&I Customers Meet their Goals

| Traditional Power and Gas Supply | First, power usage was matched with annualized National RECs, EFECs and gas usage was matched with RINs | Then power usage was directly tied to a specific project | Power usage is matched to locational carbon-free energy every hour of the day | Continue to drive innovation through advancing new technologies and strategic colocation |
|---|---|---|---|---|
|  |  |  |  |  |
| Delivering customers power and gas supply | EFECs made the power source **emissions free**. While RECs and RINs made the power source **renewable** | CORe [1] made the power source **specific** | Hourly CFE made the power source **matched** | Embracing emerging technologies will make the power source **ready for the future** |

**As sustainability products evolve, margins expand**

(1) Constellation's offsite renewables product (CORe) suite combines location-specific renewable energy purchases and renewable energy certificates (RECs) with a physical load-following energy supply contract



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# Our Generation and Commercial Businesses are More Valuable Together

- ✓ Locks-in value above the PTC "floor"
- ✓ Creates value from volatility through optimizing our combined generation and retail positions
- ✓ Minimizes need to post collateral
- ✓ Provides pathway to monetizing carbon-free attributes

Generation

Commercial



Constellation.

## Financial Outlook



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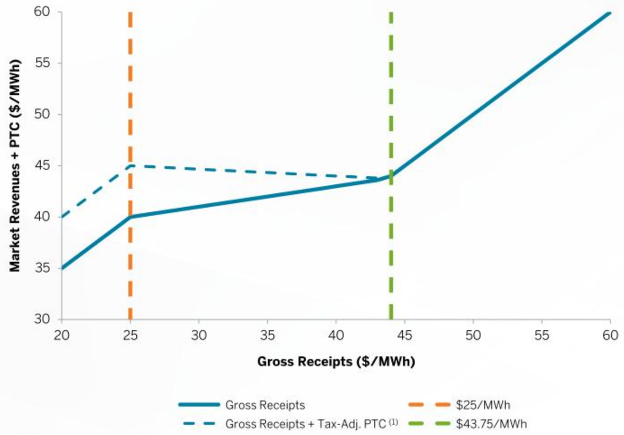
## Nuclear PTC Transforms Our Business

**Initiating 2024 Adjusted Operating Earnings* Guidance of $7.23-$8.03 per share**

**PTC provides revenue certainty while maintaining ability to capture power price upside from the market**




Note: 2024 earnings guidance based on expected average shares outstanding of 316 million
(1) Grossed up assuming 25% tax rate



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# Base Earnings Give Visibility into Constellation's Stability and Growth

## BASE EARNINGS

- Earnings that are **consistent, visible, and easy to calculate that will grow over time** through returns on organic growth, PTC inflation, and share repurchases
- Easily modeled using simple PxQ, for example:
  - PTC price (assuming 2% inflation) x quantity
  - 13-year historical and forward average weighted commercial margin x quantity
- Typically, 80-90% of expected future earnings


## ENHANCED EARNINGS

- Earnings that reflect additional value above base earnings
- Examples include:
  - Stronger than 13-year historical and forward average retail margins
  - Power price sales above the PTC floor
  - Capturing outsized value from volatility

Note: 2024 earnings guidance based on expected average shares outstanding of 316 million



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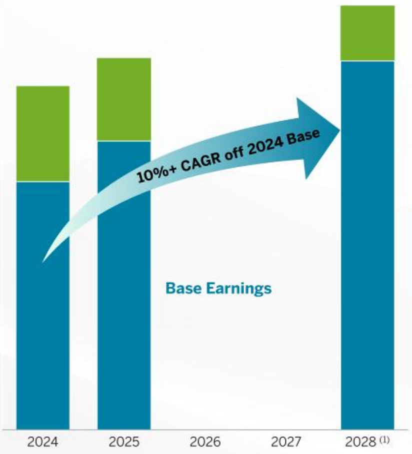
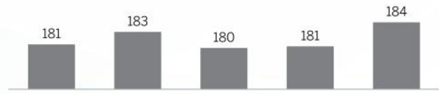
# Visible 10%+ Adjusted Operating EPS* Growth on Base Earnings




## Long-term growth rate of at least 10% from 2024-2028 but will vary from year to year

| Factors | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| PTC Step-Up (2% Inflation) | $43.75 | **$44.75** | $44.75 | **$45.75** | $45.75 |
| CMC Program | $33.04 | $33.47 | $34.09 | $34.50 **Roll-off in May** | n/a |
| Number of Planned Outages [2] | 15 | 12 | 15 | 15 | 12 |
| CEG Outage Duration [3] | Typical range | Typical range | Above typical range | Above typical range | Typical range |

**Expected Nuclear Generation (million MWhs)** [2,4]




## Items Not Included in Growth Rate

- Inflation greater than 2% assumption
- Attribute payments for reliable, carbon-free power sales
- Commercial margins above the assumed 13-year average

(1) Illustrative
(2) Includes Salem and STP
(3) Planned outage durations vary due to unit-specific attributes and outage work scope
(4) Reflected at ownership share



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# Base Earnings are Easily Calculated


**Long-term Base earnings can be readily modeled with inputs provided**

| Base Gross Margin | Modeling Tools | Additional Detail |
|---|---|---|
| **Generation** (Nuclear) | Expected generation x price | Can be broken down by CMC units, NY units, and remaining fleet (PTC) |
| **Generation** (Non-Nuclear) | Cleared capacity volumes x clearing price | Capacity volumes and prices provided for PJM and NEPOOL |
| | Expected generation x price | Historical PPA prices for renewables, power prices for hydro, and spark spreads for natural gas and oil |
| **Commercial** | Volumes x 13-year historical and forecasted margin | Power and gas margins provided |
| | Other Commercial Gross Margin (~$400M/yr) | Includes portfolio management and gross margin from other Commercial businesses, including Constellation Home and Energy Efficiency |

**Additional modeling details can be found in the Appendix starting on page 32**

# We Will Capture Value Above Base Earnings


**Examples of Enhanced Earnings**

- Margins above 13-year historical and forecast average resulting from:
  - Volatile markets leading to risk premiums
  - Favorable conditions in wholesale load auctions

Retail power margins in 2024-2025 are **$0.50 -$1.75/MWh** above 13-year average

- Power prices above the PTC floor
- Optimizing retail and generation positions
- Commodity and risk management

(1) Reflects long-term future expectations for split between Base and Enhanced earnings

# Providing Value for Shareholders Through Our Capital Allocation Plan

**Delivering Value to Our Shareholders**

**Maintain Strong Investment Grade Credit Metrics**

**Credit Ratings**
- S&P – BBB+; stable outlook
- Moody's – Baa2; positive outlook

**Annual Dividend with Targeted 10% Annual Growth**

**Growing 2024 dividend by 25%, targeting 10% annual future growth**

**Organic and Inorganic Growth Consistent with Role as a Leader in the Clean Energy Transition**

**$875 million of organic growth in 2024-2025 meeting our double-digit return threshold**
- Nuclear uprates
- Nuclear license renewals
- Wind repowering
- Hydrogen

**Return Excess Cash to Shareholders**

**Completed $1.0 billion in 2023 and started next $1.0 billion in share repurchases**



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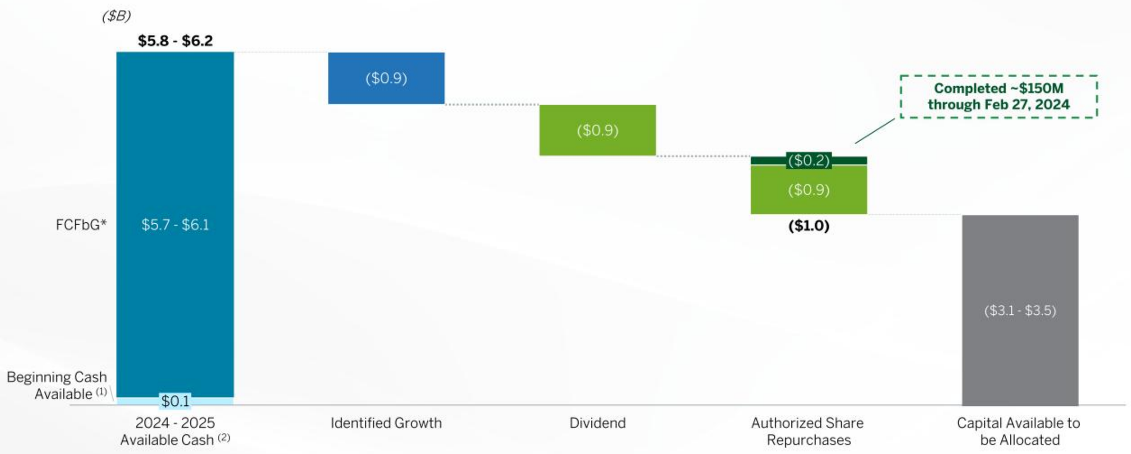
## Strong Free Cash Flows Create Value Through Growth and Capital Return




(1) Beginning Cash Available reflects excess cash balance above minimum targets as of December 31, 2023
(2) Available Cash is a midpoint of a range based on December 31, 2023, market prices



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# Constellation – Our Assets Are Unmatched

- Visible, Double-Digit Long-Term Base EPS Growth Backed by the Nuclear PTC
- Best and Largest Operator of Carbon-Free, Long-Lived, 24/7 Nuclear Plants
- Growing Product Opportunities Through Leading Customer Platform
- Uniquely Positioned to Support Economic Growth and Electric System Reliability
- Strong Free Cash Flows and High Investment Grade Balance Sheet
- 180M MWhs of Carbon-Free Electricity Will Benefit from Higher Prices and Attribute Payments



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# Appendix – Table of Contents





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# Appendix A
# Financial Support



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# 2023 Quarterly Adjusted EBITDA* and Adjusted Operating EPS*

| | Q1 | Q2 | Q3 | Q4 | 2023 FY |
|---|---|---|---|---|---|
| **Adjusted EBITDA* ($M)** | $658 | $1,031 | $1,199 | $1,137 | $4,025 |
| **Adjusted Operating EPS* ($/share) (1)** | $0.78 | $1.64 | $2.13 | $1.74 | $6.28 |

GAAP to Non-GAAP reconciliations for Adjusted EBITDA* and Adjusted EPS* can be found starting on page 61 of the Appendix

(1) Based on average shares outstanding reported in Form 10-Q and Form 10-K filings. See page 68 in appendix.



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# Modeling Tools for Base Earnings


| | 2024 | | 2025 | |
|---|---|---|---|---|
| **Gross Margin* (Base Only) (1)** | **Quantity (million MWhs)** | **Prices ($/MWh)** | **Quantity (million MWhs)** | **Prices ($/MWh)** |
| **Nuclear (2)** | | | | |
| Illinois CMC Units (3) | 54 | $33.04 | 54 | $33.47 |
| NY Units (4) | 25 | $60 - $61 | 26 | $60 - $63 |
| Remaining Units (PTC) | 102 | $43.75 | 102 | $44.75 |
| Nuclear Fuel Amortization | | ($4.85 - $4.90) | | ($5.30 - $5.35) |
| **Non-Nuclear** | | | | |
| Wind/Solar | 5 | ~$60 - $70 Avg. | 5 | ~$60 - $70 Avg. |
| Hydro | 2 | ~$45 | 2 | ~$45 |
| Natural Gas, Oil, Other | 20 | ~$20 spark spread | 18 | ~$20 spark spread |
| Capacity Revenues | See Appendix page 34 | | See Appendix page 34 | |
| **Commercial** | **Projected Volumes** | **Average Margin** | **Projected Volumes** | **Average Margin** |
| Power Margins | 200 million MWhs | $3.50 - $3.60 / MWh | 205 million MWhs | $3.50 - $3.60 / MWh |
| Gas Margins | 855 million dth | $0.25 - $0.30 / dth | 840 million dth | $0.25 - $0.30 / dth |
| Other Commercial Margin | ~$400M | | ~$450M | |
| **Other Modeling Inputs** | **2024** | | **2025** | |
| Other Revenues | $75 | | $50 | |
| Adjusted O&M* | ($5,225) | | ($5,125) | |
| TOTI (5) | ($450) | | ($450) | |
| Other, Net | ($50) | | ($25) | |
| Depreciation and Amortization | ($1,000) | | ($1,025) | |
| Interest Expense, Net (6) | ($425) | | | |
| Effective Tax Rate (7) | 17% | | 19% | |

Note: 2024 earnings guidance based on expected average shares outstanding of 316 million
(1) To the extent we receive nuclear PTCs, the value will be reflected in revenues on the GAAP financial statements
(2) Reflected at ownership share; includes Salem and STP
(3) Reflects calendar year price based on weighted average CMC price for 2023/2024, 2024/2025, and 2025/2026 planning years
(4) Values reflect the total of energy, capacity, and ZEC consistent with the rate-setting mechanism
(5) TOTI includes gross receipts tax
(6) Interest expense is not reflective of capital allocation
(7) Effective tax rate reflects PTC revenues as of December 31, 2023



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# Detailed Modeling Inputs for Base Earnings

| Nuclear | Expected Generation (million MWhs) [1] | | | | |
|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 |
| IL CMC Units | 54 | 54 | 53 | 23 | - |
| NY Units | 25 | 26 | 25 | 26 | 25 |
| Remaining Units | 102 | 102 | 102 | 132 | 159 |
| **Total Nuclear** | **181** | **183** | **180** | **181** | **184** |
| Number of Planned Refueling Outages [1] | 15 | 12 | 15 | 15 | 12 |

| | Price ($/MWh) | | | | |
|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 |
| IL CMC Units [2] | $33.04 | $33.47 | $34.09 | $34.50 | |
| NY Units [3] | $60 - $61 | $60 - $63 | | | |
| Remaining Units (2% Inflation) | $43.75 | $44.75 | $44.75 | $45.75 | $45.75 |
| Nuclear Fuel | ($4.85 - $4.90) | ($5.30 - $5.35) | | | |

| | PTC Inflation Scenarios ($/MWh) | | | | |
|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 |
| 2% Inflation | $43.75 | $44.75 | $44.75 | $45.75 | $45.75 |
| 3% Inflation | $43.75 | $44.75 | $45.75 | $48.88 | $49.88 |
| 4% Inflation | $43.75 | $44.75 | $45.75 | $49.88 | $50.88 |

| Commercial (Retail/Wholesale) | Volume 2024 | Volume 2025 | Margins (13-Year Average) [4] 2024 |
|---|---|---|---|
| Power | 200 million MWhs | 205 million MWhs | $3.50 - $3.60/MWh |
| Gas | 855 million dth | 840 million dth | $0.25 - $0.30/dth |

(1) Reflected at ownership; includes Salem and STP
(2) Reflects calendar year price based on weighted average CMC prices across planning years
(3) Values reflect the total of energy, capacity, and ZEC consistent with the rate-setting mechanism
(4) 13-Year average represents eight years of historical realized margins and five years of forward-looking forecast



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# Detailed Modeling Inputs for Base Earnings (continued)

| Non-Nuclear (Energy) | Expected Generation (million MWhs) 2024 | 2025 | | Modeling Prices ($/MWh) [1] |
|---|---|---|---|---|
| Wind/Solar | 5 | 5 | Historical renewable contracts | $60 - $70 |
| Hydro | 2 | 2 | Hydro revenue price ($/MWh) | $45 |
| Natural Gas, Oil, Other | 20 | 18 | Representative spark spread ($/MWh) | $20 |

| Non-Nuclear (Capacity) | 2023/2024 Cleared Volumes (MW) [2] | 2023/2024 Price ($/MW-day) | 2024/2025 Cleared Volumes (MW) [2] | 2024/2025 Price ($/MW-day) |
|---|---|---|---|---|
| EMAAC | - | - | 1,950 | $55 |
| MAAC | 2,175 | $49 | 200 | $49 |
| BGE | 425 | $70 | 425 | $73 |
| **Total PJM Portfolio** | **2,600** | | **2,575** | |

| | 2023/2024 Capacity [4] | 2023/2024 Price ($/MW-day) | 2024/2025 Capacity [4] | 2024/2025 Price ($/MW-day) |
|---|---|---|---|---|
| NEMA | 1,525 | $66 | 115 | $131 |
| SEMA | 235 | $597 | 235 | $632 |
| **Total ISO-NE [3]** | **1,760** | | **350** | |

*Note: Capacity revenues for nuclear units are included in the gross receipts calculation for the PTC and therefore not provided*

(1) Hydro revenue price and representative spark spread reflect consistent historical average we have achieved across hydro and fossil assets, respectively
(2) Volumes are rounded and reflect Constellation's ownership share of partially owned units
(3) ISO-NE: ISO New England; NEMA: Northeastern Massachusetts and Boston; SEMA: Southeastern Massachusetts
(4) Represents offered capacity at ownership



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# Additional Modeling Inputs and Information

| Other Modeling Inputs ($M) | 2024 | 2025 |
|---|---|---|
| Enhanced Gross Margin* | $675 - $950 | $575-$850 |
| Other Revenues | $75 | $50 |
| Adjusted O&M* | ($5,225) | ($5,125) |
| TOTI (1) | ($450) | ($450) |
| Other, Net | ($50) | ($25) |
| Depreciation and Amortization | ($1,000) | ($1,025) |
| Interest Expense, Net (2) | ($425) | |
| Effective Tax Rate Including PTC (3) | 17% | 19% |
| Effective Tax Rate Excluding PTC (4) | 24% | 24% |

| Additional Information | 2024 | 2025 |
|---|---|---|
| Retail Power Margins Above 13-year Average | $1.75 | $0.50 |
| Percentage of Nuclear Fleet in PTC Zone | 87% | 82% |
| **Reference Prices (5)** | | |
| NIHub ATC ($/MWh) | $35.78 | $39.02 |
| PJM-W ATC ($/MWh) | $41.87 | $46.31 |
| New York Zone A ATC ($/MWh) | $37.51 | $40.26 |
| ERCOT-N ATC Spark Spread ($/MWh) | $29.11 | $21.29 |
| ERCOT-N Peak Spark Spread ($/MWh) | $43.30 | $32.50 |

Note: 2024 earnings guidance based on expected average shares outstanding of 316 million
(1) TOTI includes gross receipts tax
(2) Interest expense is not reflective of capital allocation
(3) Reflects effective tax rate inclusive of PTC revenues. To the extent we receive nuclear PTCs, the value will be reflected in revenues on the GAAP financial statements.
(4) Reflects effective tax rate excluding impact of PTC revenues
(5) Based on prices as of December 31, 2023



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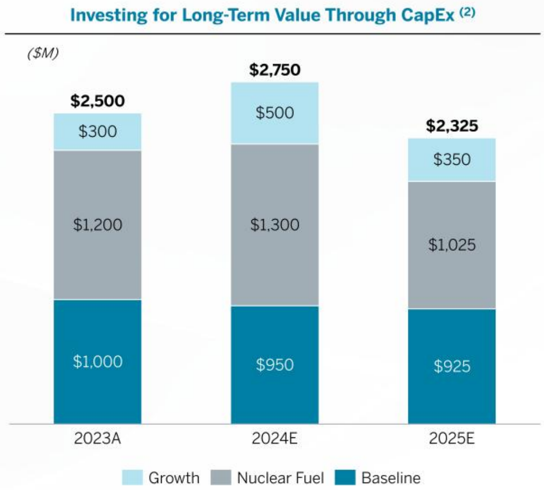
# Adjusted O&M* and Capital Expenditures


Note: All amounts rounded to the nearest $25M. Items may not sum due to rounding.
(1) GAAP to Non-GAAP reconciliation for Adjusted O&M* can be found on page 70 of the Appendix
(2) Reflects cash CapEx for Non-Nuclear at 100% ownership



Constellation.

# Constellation is Well-Positioned on Nuclear Fuel

### Well-Insulated from Geopolitical Risk

- We have built a diverse and resilient portfolio that can withstand a Russian supply disruption
- We continue to manage our supply for conversion and enrichment, which is what is at risk from a Russian supply disruption, and are well-covered for these services into the next decade
- We are working with the Administration, domestic suppliers and other stakeholders on policies that would increase U.S. enrichment and conversion capabilities by 2028

### Financial Risk Management

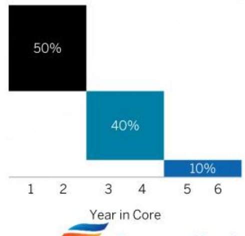
- Structure forward contracts to control price risk
- Establish metrics to measure and forecast cost variability
- Allow flexibility to pursue market opportunities and cost optimization
- Negotiate ceiling prices in market-related contracts and caps on references to inflation indexes
- Amortize fuel cost over the time the fuel is in the core

### Uranium Purchasing

- We transact predominantly in the term market (bi-lateral contracts) and opportunistically in the spot market
- Financial players are the primary participants in the uranium spot market and there are days when there are no trades in this illiquid market
- Our forward uranium contract prices are well-below the spot market prices
- We have engaged in multiple long-term supply contracts running well into the 2030s

### Cost by Fuel Cycle Component


### New Fuel Cost Amortization Schedule



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# Our Investment Grade Balance Sheet is a Competitive Advantage

## Current Credit Ratings

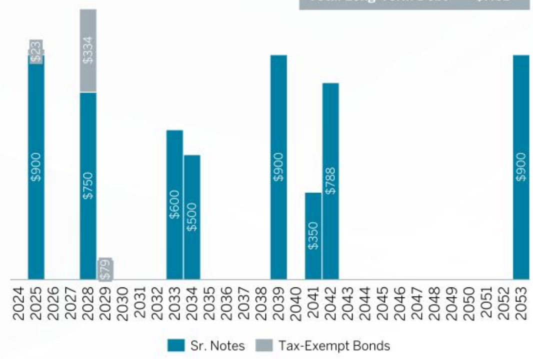
| | |
|---|---|
| **Moody's** | Baa2; positive outlook |
| **S&P** | BBB+; stable outlook [1] |

## 2024 Target Credit Metrics


## Long-Term Debt Maturity Profile [2]

*As of 12/31/2023*
*($M)*

| Long-Term Debt Balances [3] | |
|---|---|
| Recourse | $6.1B |
| Non-Recourse | $1.5B |
| **Total Long-Term Debt** | **$7.6B** |




Note: Items may not sum due to rounding. GAAP to Non-GAAP definitions for credit metrics can be found on pages 64-65 of the Appendix
(1) Credit rating upgraded by S&P to BBB+ from BBB on November 22, 2023
(2) Maturity profile excludes non-recourse debt, P-Cap facility, securitized debt, capital leases, unamortized debt issuance costs and unamortized discount/premium
(3) Long-term debt balances reflect 2023 Form 10-K GAAP financials, which include items listed in footnote 2 except for the P-Cap facility



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# Constellation Characteristics Compared to Leading Companies in Different Sectors

| | Constellation | Specialty Chemicals | Waste | Rail | Utilities | IPPs |
|---|---|---|---|---|---|---|
| Strong Growth Rates | 10%+ | 9-12% | 11% | 10-15% | 5-9% | N/A |
| Consistent Earnings (meet or beating guidance) | Beat since inception | Beat 8/9 Years | Beat 6/7 Years | Beat 4/4 Years | Beat 5/5 Years | Beat 3/5 years |
| Credit Ratings (S&P / Moody's) | BBB+ / Baa2 | A / A2 | A- / Baa1 | A- / A2 | Investment Grade | Sub-Investment Grade |
| Positive FCF | ✓ | ✓ | ✓ | ✓ | ✗ | ✓ |
| Long Duration of Assets | 80+ Years | ~ | ✓ | ✓ | ✓ | ~ |
| Unique Positioning in the Market | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ |
| Supports the Energy Transition | ✓ | ✓ | ✓ | ~ | ✓ | ✗ |
| Dividend Yield | 1.1% | 1.5% - 2.5% | 1.6% - 1.7% | 1.8% - 1.9% | 3.2% – 4.3% | 2% - 3% |
| Dividend Payout Percentage | 15-20% | 55-85% | 40-65% | 35-40% | 50-85% | 12-30% |
| Revenue Certainty Through Government Policy | ✓ | ✗ | ✗ | ✗ | ✓ | ✗ |
| Benefits from Inflation | ✓ | ~ | ✓ | ✗ | ✗ | ✗ |



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# Appendix B: Operational Metrics



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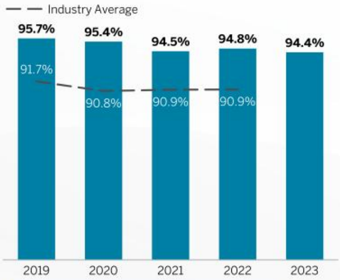
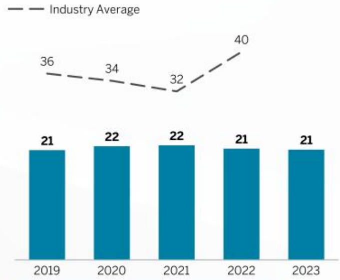
# Strong Operations Deliver Reliable and Affordable Carbon-Free Power

## 1-Yr Nuclear Capacity Factor (%) (1,2)



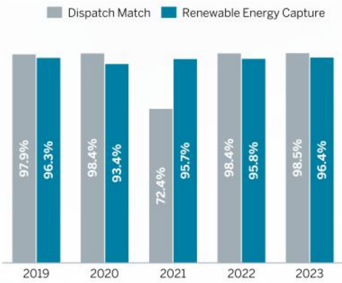

| Ranking Among Major Operators (2-Yr) [3] | | | |
|---|---|---|---|
| 2019 | 2020 | 2021 | 2022 |
| 1 | 1 | 1 | 1 |

## Average Nuclear Refueling Outage Days (2,4)




| Ranking Among Major Operators [3] | | | |
|---|---|---|---|
| 2019 | 2020 | 2021 | 2022 |
| 1 | 1 | 1 | 1 |

## Non-Nuclear Metrics (5)




Source: Constellation's internal benchmarking report
(1) Reported at Constellation's ownership share, excluding Salem and STP. 2021 Constellation ownership share reflects EDF Put closure on August 6, 2021
(2) Constellation and Industry averages reflect TMI partial year operation in 2019.
(3) Major nuclear operator is defined as one entity responsible for the operation of at least two sites and comprising of at least four units; Major Operator rankings reflect 100% ownership for Constellation. 2023 not available.
(4) Refueling outage values are not adjusted for ownership
(5) Dispatch Match is used to measure the responsiveness of a unit to the market, expressed as actual energy gross margin relative to total desired energy gross margin. Desired energy gross margin is measured by revenue less fuel cost and variable O&M when generating unit is asked to run by either Constellation or the RTO. Wind Energy Capture represents actual energy produced by wind turbine generators, divided by the on-site measured total wind energy available. Solar Energy Capture represents actual energy produced, divided by total expected energy produced derived from solar irradiance and expected performance curves supplied by the solar panel manufacturers. Hydro Energy Capture is expressed as the actual generation divided by the desired generation, weighted by the locational marginal price (LMP). Renewable Energy Capture for the combined wind, solar, and hydro fleet is weighted by the relative site projected pre-tax variable revenue. 2023 reflects a change to include the Conowingo run-of-river hydroelectric operational performance within renewable energy capture and removes the performance from dispatch match; prior years have not been recast.



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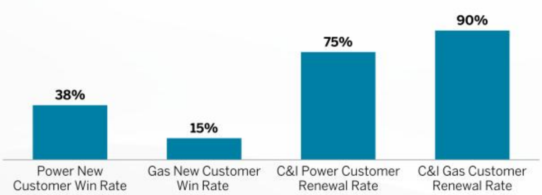
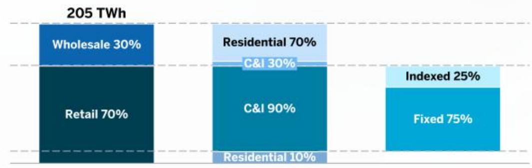
# Leading Platform Enables Our Customers to Meet Their Energy and Sustainability Needs

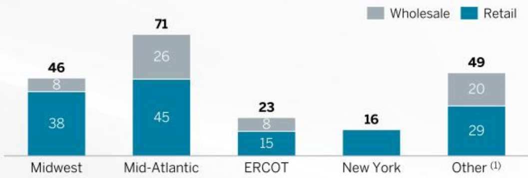
## Customer Operational Metrics (TTM)



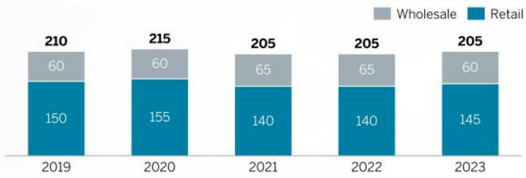

## Customer Breakdown of 2023 Load Served




## 2023 Electric Load Served by Region (million MWhs)




## Consistent Load (2)




Note: Items may not sum due to rounding
(1) Other includes New England, South and West
(2) Reflects retail load and wholesale load auction volumes as of December 31, 2023. Does not equate to annualized retail load volumes under contract as reported in DNV GL Market Share Landscape. Numbers rounded to the nearest 5 million MWh.



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# Appendix C:
# State and Federal Policies



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# PTC Provides Support for Nuclear Units When Revenues Fall Below $43.75/MWh

## Illustrative Payoff Dynamics for Non-State-Supported Units in 2024


- The PTC provides support of up to $15.00/MWh for units when revenues are between $25.00/MWh and $43.75/MWh while preserving the ability of the unit to participate in upside from commodity markets
- The green line assumes revenues of $47.00/MWh. Since it is above the $43.75/MWh PTC phase out units would not receive PTC value
- When revenues fall below the $43.75/MWh phase out, the PTC will provide revenue support for the units, bringing effective realized revenues back to $43.75
- Assuming revenues of $35.00/MWh, the orange line, we would expect units to receive $7.00/MWh PTC, bringing the total value the unit would receive to $42.00/MWh and $44.33/MWh (1) on a tax adjusted basis

(1) Grossed up assuming 25% tax rate



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# Inflation of Nuclear Production Tax Credit (PTC) (1)

## PTC Overview

- The PTC is in effect through 12/31/32
- In the base year 2024, Constellation qualifies for the nuclear PTC up to \$15.00/MWh; the PTC amount is reduced by 80% of gross receipts exceeding \$25.00/MWh, phasing out completely after \$43.75/MWh
- The nuclear PTC can be credited against taxes or monetized through sale to an unrelated taxpayer

## PTC Inflation Adjustment

- Starting in 2025, the maximum PTC and gross receipts threshold are subject to an inflation adjustment based on the GDP price deflator for the preceding calendar year:

$$\text{Inflation Adjustment} = \frac{\text{GDP price deflator in preceeding year}}{\text{GDP price deflator in 2023}}$$

- Maximum PTC is rounded to nearest \$2.50/MWh and gross receipts threshold is rounded to nearest \$1.00/MWh

## Example Assuming 2%, 3% and 4% Inflation (2)

| | 2% Inflation | | | 3% Inflation | | | 4% Inflation | | |
|---|---|---|---|---|---|---|---|---|---|
| | Maximum PTC | Gross Receipts Threshold | Power Price At Which PTC=\$0 | Maximum PTC | Gross Receipts Threshold | Power Price At Which PTC=\$0 | Maximum PTC | Gross Receipts Threshold | Power Price At Which PTC=\$0 |
| 2024 | \$ 15.00 | \$ 25.00 | \$ 43.75 | \$ 15.00 | \$ 25.00 | \$ 43.75 | \$ 15.00 | \$ 25.00 | \$ 43.75 |
| 2025 | \$ 15.00 | \$ 26.00 | \$ 44.75 | \$ 15.00 | \$ 26.00 | \$ 44.75 | \$ 15.00 | \$ 26.00 | \$ 44.75 |
| 2026 | \$ 15.00 | \$ 26.00 | \$ 44.75 | \$ 15.00 | \$ 27.00 | \$ 45.75 | \$ 15.00 | \$ 27.00 | \$ 45.75 |
| 2027 | \$ 15.00 | \$ 27.00 | \$ 45.75 | \$ 17.50 | \$ 27.00 | \$ 48.88 | \$ 17.50 | \$ 28.00 | \$ 49.88 |
| 2028 | \$ 15.00 | \$ 27.00 | \$ 45.75 | \$ 17.50 | \$ 28.00 | \$ 49.88 | \$ 17.50 | \$ 29.00 | \$ 50.88 |
| 2029 | \$ 17.50 | \$ 28.00 | \$ 49.88 | \$ 17.50 | \$ 29.00 | \$ 50.88 | \$ 17.50 | \$ 30.00 | \$ 51.88 |
| 2030 | \$ 17.50 | \$ 28.00 | \$ 49.88 | \$ 17.50 | \$ 30.00 | \$ 51.88 | \$ 20.00 | \$ 32.00 | \$ 57.00 |
| 2031 | \$ 17.50 | \$ 29.00 | \$ 50.88 | \$ 17.50 | \$ 31.00 | \$ 52.88 | \$ 20.00 | \$ 33.00 | \$ 58.00 |
| 2032 | \$ 17.50 | \$ 29.00 | \$ 50.88 | \$ 20.00 | \$ 32.00 | \$ 57.00 | \$ 20.00 | \$ 34.00 | \$ 59.00 |

(1) See H.R. 5376 for additional details; all numbers assume that prevailing wage requirements are satisfied
(2) Annual inflation adjustment is consistent with past published guidance for renewable energy credits, published annually



Constellation.

# Zero-Emission Credit (ZEC) Overview and Timelines


| Program Elements | New York ZEC Program | Illinois ZEC Program | New Jersey ZEC Program |
|---|---|---|---|
| General Description | Under the state's clean energy standard, load serving entities must purchase Zero Emission Credits from NYSERDA who purchases them from the eligible nuclear plants. | Under Future Energy Jobs Act, utilities in the state contract with zero emission facilities to procure all of the Zero Emission Credits produced in a year by the facility. | Under the state's clean energy standard, utilities will purchase Zero Emission Certificates from certified nuclear plants in an amount equivalent to all of the output of the plant. |
| Eligibility | PSC selects units based on:<br>• Impact on NY air quality based on PSC evaluation<br>• Financial distress<br>• Alternatives, customer impact, public interest | IPA selects units based on:<br>• Impact on IL air quality based on a formula<br>• Financial distress | BPU selects units based on:<br>• Impact on NJ air quality based on bidder input<br>• Financial distress<br>• New application required for each 3-year period |
| Bidder Data provided | Multi-year costs, risks and revenue projections | 6-year costs, risks and generation projection | 3-year costs, risks and revenue projections. Air impacts. |
| Term | 12 years (six 2-year periods) | 10 years | 3-year periods |
| ZEC Price | \$17.48/MWh for $1^{st}$ period<br>(inflation escalation thereafter) | \$16.50/MWh for 6 years (social cost of carbon driving ZEC price escalates thereafter) | ~\$10/MWh through May 2025 |
| Price Adjustment(s) | \$37.78/MWh – Index relative to reference price<br>RGGI price deduct | \$31.40/MWh – Market Price Index | On February 14, 2024, BPU determined there will be no ZECs awarded to any nuclear plant for the $3^{rd}$ tranche (6/1/25 - 5/31/28), however there may be a $4^{th}$ tranche |
| Program Budget Cap | \$480M per year initially | ~\$225M per year cost cap | ~\$270M per year initially |

## New York ZEC Price Determination

| Tranche | Date | U.S. SCC "Central Value" ($/Short Ton) | Baseline RGGI Estimate ($/Short Ton) | Net $CO_2$ Externality ($/Short Ton) | Short Ton to MWh (Conversion Factor) | Adjusted SCC ($/MWh) | Reference Price ($/MWh) | Energy and Capacity Forecast Adjustment ($/MWh) | Upstate ZEC Price ($/MWh) |
|---|---|---|---|---|---|---|---|---|---|
| **Tranche 1** | 4/1/2017-3/31/2019 | $42.87 | $10.41 | $32.47 | 0.53846 | $17.48 | N/A | N/A | $17.48 |
| **Tranche 2** | 4/1/2019-3/31/2021 | $46.79 | $10.41 | $36.38 | 0.53846 | $19.59 | $39.00 | N/A | $19.59 |
| **Tranche 3** | 4/1/2021-3/31/2023 | $50.11 | $10.41 | $39.71 | 0.53846 | $21.38 | $39.00 | N/A | $21.38 |
| **Tranche 4** | 4/1/2023-3/31/2025 | $54.66 | $10.41 | $44.26 | 0.53846 | $23.83 | $37.78 | $5.56 | $18.27 |
| **Tranche 5** | 4/1/2025-3/31/2027 | $59.54 | $10.41 | $49.13 | TBD | TBD | $37.78 | TBD | TBD |
| **Tranche 6** | 4/1/2027-3/31/2029 | $64.54 | $10.41 | $54.13 | TBD | TBD | $37.78 | TBD | TBD |

# Illinois Carbon Mitigation Credit (CMC) Overview and Timelines

| Plant | State | Capacity (MW) |
|---|---|---|
| Braidwood | IL | 2,386 |
| Byron | IL | 2,347 |
| Dresden | IL | 1,845 |

| 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|---|---|---|---|---|---|
| June '22 | | | | | May '27 |
| June '22 | | | | | May '27 |
| June '22 | | | | | May '27 |

| Program Elements | Illinois Carbon Mitigation Credits Program |
|---|---|
| Eligibility | • IL CMC program is similar to the IL ZEC program, except that ComEd is the only buyer and only PJM units are eligible<br>• Bidders must submit financial projections to demonstrate financial need, and selection is based on air quality impacts in Illinois. |
| Term | 5-energy years |
| Product | • A Carbon Mitigation Credit means the environmental attributes of 1 MWh of nuclear generation<br>• Suppliers are selling environmental attributes only, not energy or capacity<br>• Procurement quantity is 54.5 million MWh per year (3 plants), with obligation to operate |
| CMC Price | • Suppliers bid an "all-in" price, not a fixed credit price<br>– Supplier payment = Bid Price – Energy Index – Capacity Index – Other Subsidies (e.g., PTC)<br>– Energy Index = average day-ahead price at selected nuclear plants<br>– Capacity Index = ComEd zone capacity price<br>• Payment can be positive (to supplier) or negative (to buyer) |
| Bid Price Cap | \$30.30/MWh, \$32.50/MWh, \$33.43/MWh, \$33.50/MWh, \$34.50/MWh (for the 5 years, respectively) |



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# Appendix D: Environmental, Social & Governance



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# Constellation's ESG Principles

## Our Value Proposition and ESG Principles

Constellation is positioned to deliver long-term value for our shareholders through our enduring businesses that are ready to meet the climate crisis. We are leading the transition to a carbon-free future as one of the largest providers of energy solutions to commercial and industrial (C&I) customers and the largest producer of carbon-free power in the U.S. Furthermore, our fleet is uniquely situated to be the reliable, baseline carbon-free energy source of the energy transition. We are proud of our history of actively working to reduce our emissions and improving the value, longevity and output of our assets through policy leadership, technology and innovation. Based on this foundation, Constellation is ideally suited to support our customers' ambitions to reduce their environmental impact and seek solutions to the climate crisis. Our disciplined capital allocation strategy supports a strong investment grade balance sheet, reinvestment in our business, growth investment consistent with our corporate strategy and return of capital to owners.

Our ESG principles are core to our business strategy and value proposition. Our values and ESG principles guide us in our central purpose. We are focused on driving action in these critical focus areas:

**Constellation's ESG Principles**

- Carbon-Free Policy Advocacy
- Providing Carbon-Free Energy and Climate Mitigation
- Equity and Community Empowerment
- Commercial & Industrial Customer Transformation
- Commitment to Diversity, Equity and Inclusion
- Innovation and Technology Enablement
- Strong Corporate Governance and Risk Management

## Constellation's Climate Commitment

**100%**

Of our owned generation will be carbon-free by 2040

**100%**

Reduction of our operations-driven emissions by 2040 (1)

**100%**

Of C&I customers provided with specific information about how to meet GHG reduction goals

✓ **Clean Energy Supply:**

- **Clean Electricity Supply:** We commit that our owned generation supply will be **100% carbon-free by 2040**; with an interim goal of **95% carbon-free by 2030** subject to policy support and technology advancements.
- **Operational Emissions Reduction Goal:** We aspire to reduce operations driven emissions by 100% by 2040 subject to technology and policy advancement
  - Interim target to reduce carbon emissions by 65% from 2020 levels by 2030
  - Constellation commits to reducing methane emissions 30% from 2020 levels by 2030, aligned with the Administration's global methane pledge
- **Supply Chain Engagement:** Partner with our key energy suppliers on their GHG emissions and climate adaptation strategies

✓ **Clean Customer Transformation:**

- Prior to the end of 2022, we successfully delivered on our commitment to provide 100% of our C&I customers with customer-specific information on their GHG impact for facilities contracting for power and gas supply from Constellation, that include hourly carbon-free energy matching
- Commit to support reductions in customers' gas emissions and a transition to low carbon fuels

✓ **Technology Enablement and Commercialization:**

- Commit to **enable the future technologies and business models needed to drive the clean energy economy** to improve the health and welfare of communities through **venture investing and R&D**. We will **target 25 percent or more of our investments in business enterprises led by minorities, women, veteran/service-disabled veterans and LGBTQ+ individuals** and will require investment recipients to disclose how they engage in equitable employment and contracting practices, using performance as a factor when considering investments

(1) Any emissions that cannot be technologically reduced by that time will be offset; includes all GHGs except methane which is addressed in a separate methane reduction goal



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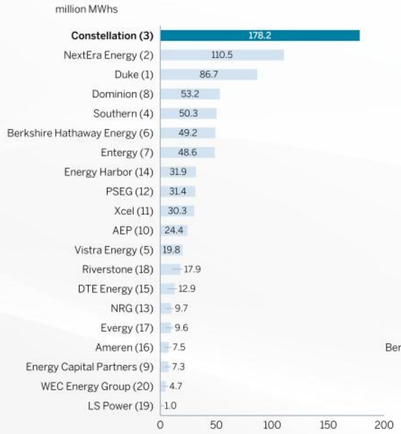
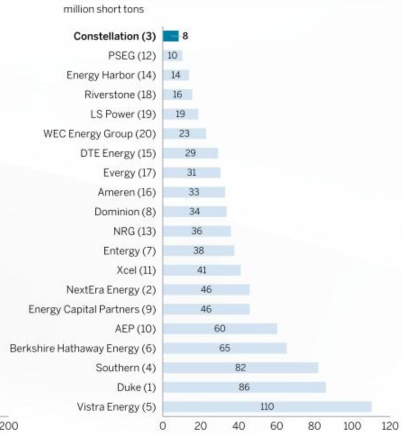
# Constellation is the Largest Producer of Carbon-Free Electricity in the U.S.

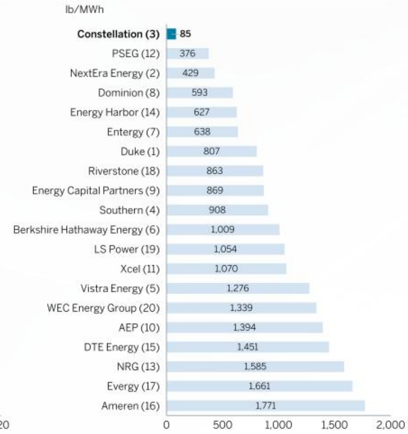
### Largest Producers of Carbon-Free Generation (1,2)




### Lowest $CO_2$ Emissions Among Major Investor-Owned Generators (2)




### Lowest Carbon Intensity Among Major Investor-Owned Generators (2)




(1) Reflects 2021 regulated and non-regulated generation. Source: Benchmarking Air Emissions, November 2023: https://www.ceres.org/resources/reports/benchmarking-air-emissions-100-largest-electric-power-producers-united-states-2023
(2) Number in parentheses is the company's ranking among the 20 largest investor-owned producers (total MWh) in 2021, i.e. Constellation was the third largest generator in 2021



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# Nuclear Fuel is Extremely Energy Dense and Creates Minimal Waste Which is Safely Stored

## Nuclear Fuel is Dense [1]


## A Nuclear Plant's Footprint is Small [2]

- **A 1,000 MW nuclear facility needs just more than 1 acre**
- **A wind farm of similar generation output requires up to 360 times the land area**
- **A solar (PV) facility of similar generation output requires up to 75 times the land area**

## Spent Nuclear Fuel Storage and Oversight

- After spent fuel is cooled in pools, it is sealed in a metal or steel cylinder, surrounded by helium gas and then encapsulated in a metal or concrete outer shell, which is 20-30 inches thick to shield radiation
- Since the first casks were loaded in 1986, there has never been a release of radiation that affected the public or the environment
- Radioactivity from the site must be less than 25 millirem per year at the site boundary – which is lower than the radioactivity from a chest x-ray
- Casks are designed to withstand earthquakes, projectiles and floods
- Spent nuclear fuel is stored in compliance with stringent safety and security requirements and oversight from the Nuclear Regulatory Commission (NRC)
- The NRC has investigated the safety of long-term dry cask storage and concluded there to be minimal risk, even after 100 years [3]

**All the waste generated by the U.S. nuclear industry since the 1950s would only require the space of one football field 10 yards deep. By comparison, one coal plant produces as much waste by volume in one hour as nuclear power has in its history [4]**

(1) Source: U.S. Department of Energy; https://www.energy.gov/ne/articles/3-reasons-why-nuclear-clean-and-sustainable
(2) Source: https://www.nei.org/news/2015/land-needs-for-wind-solar-dwarf-nuclear-plants
(3) Source: SECY-14-0072-Enclosure 2 - Generic Environmental Impact Statement for Continued Storage of Spent Nuclear Fuel. (https://www.nrc.gov/docs/ML1418/ML14188B749.pdf)
(4) Source: https://www.nei.org/news/2019/what-happens-nuclear-waste-us



Constellation.

# Diversity, Equity and Inclusion (DEI)

## Strategic Priorities

**Strategic Talent Sourcing**

Source talent with an enhanced focus on diverse populations through relationships, technology and intentional practices

**Workforce Development**

Improve career awareness, foster equitable access and advance skills of workers from communities that have historically been underrepresented in the energy sector

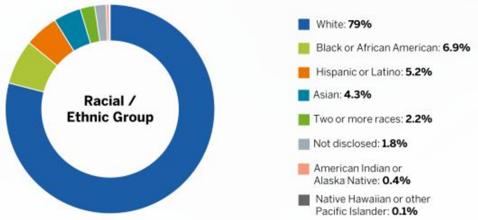
**Supplier Diversity**

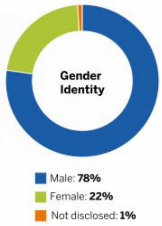
Continue making certified diverse and small suppliers a part of our business

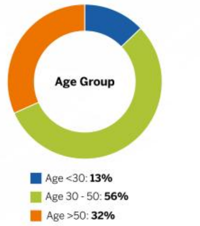
**Equity and Belonging**

Eliminate barriers to participation and create opportunities for our employees by establishing a culture of belonging

## Workforce Diversity (1)




(1) May not sum due to rounding; reflects data as reported in the 2023 Constellation Sustainability Report



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# Appendix E:
# Fleet Overview



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# Nuclear Fleet Overview

| Plant Location | Type/Containment | License Renewal Status | License Expiration (1) | Capacity (MW) (2) | Policy Support (Term) | Ownership | Spent Fuel Storage | 2-Year Capacity Factor (3) |
|---|---|---|---|---|---|---|---|---|
| Braidwood, IL<br>(Units 1 and 2) | Pressurized Water Reactor<br>Concrete/Steel Lined | Renewed | Unit 1: 2046<br>Unit 2: 2047 | 2,386 | CMC<br>Jun '22 – May '27 | Constellation: 100% | Dry Cask | Unit 1: 96.4%<br>Unit 2: 96.3% |
| Byron, IL<br>(Units 1 and 2) | Pressurized Water Reactor<br>Concrete/Steel Lined | Renewed | Unit 1: 2044<br>Unit 2: 2046 | 2,347 | CMC<br>Jun '22 – May '27 | Constellation: 100% | Dry Cask | Unit 1: 97.3%<br>Unit 2: 93.4% |
| Calvert Cliffs, MD<br>(Units 1and 2) | Pressurized Water Reactor<br>Concrete/Steel Lined | Renewed | Unit 1: 2034<br>Unit 2: 2036 | 1,789 | Federal PTC<br>Jan '24 – Dec '32 | Constellation: 100% | Dry Cask | Unit 1: 95.4%<br>Unit 2: 94.7% |
| Clinton, IL<br>(Unit 1) | Boiling Water Reactor<br>Concrete/Steel Lined/Mark III | 2027 (4) | Unit 1: 2027 (5) | 1,092 | ZEC<br>Jun '17 – May '27 | Constellation: 100% | Dry Cask | Unit 1: 91.5% |
| Dresden, IL<br>(Units 2 and 3) | Boiling Water Reactor<br>Steel Vessel/Mark I | Renewed (4) | Unit 2: 2029<br>Unit 3: 2031 | 1,845 | CMC<br>Jun '22 – May '27 | Constellation: 100% | Dry Cask | Unit 2: 95.2%<br>Unit 3: 94.6% |
| Fitzpatrick, NY<br>(Unit 1) | Boiling Water Reactor<br>Steel Vessel/Mark I | Renewed | Unit 1: 2034 | 842 | ZEC<br>Apr '17 – Mar '29 | Constellation: 100% | Dry Cask | Unit 1: 94.8% |
| LaSalle, IL<br>(Units 1 and 2) | Boiling Water Reactor<br>Concrete/Steel Lined/Mark II | Renewed | Unit 1: 2042<br>Unit 2: 2043 | 2,320 | Federal PTC<br>Jan '24 – Dec '32 | Constellation: 100% | Dry Cask | Unit 1: 95..2%<br>Unit 2: 95.0% |
| Limerick, PA<br>(Units 1 and 2) | Boiling Water Reactor<br>Concrete/Steel Lined/Mark II | Renewed | Unit 1: 2044<br>Unit 2: 2049 | 2,315 | Federal PTC<br>Jan '24 – Dec '32 | Constellation: 100% | Dry Cask | Unit 1: 94.2%<br>Unit 2: 94.4% |
| Nine Mile Point, NY<br>(Units 1 and 2) | Boiling Water Reactor<br>Steel Vessel /Mark I<br>Concrete/Steel Vessel/Mark II | Renewed (4) | Unit 1: 2029<br>Unit 2: 2046 | 1,675 | ZEC<br>Apr '17 – Mar '29 | Unit 1: Constellation 100%<br>Unit 2: Constellation: 82%, 18% LIPA | Dry Cask | Unit 1: 92.3%<br>Unit 2: 91.5% |

(1) Operating license renewal process takes approximately 4-5 years from commencement until completion of NRC review
(2) Net generation capacity is stated at estimated proportionate ownership share as of December 31, 2023 per Annual Form 10-K
(3) 2-Year capacity factor based on 2022-2023
(4) Constellation has notified the Nuclear Regulatory Commission (NRC) of intent to seek the first license renewal at Clinton and subsequent license renewals at Dresden, Ginna, and Nine Mile Point 1
(5) In 2019, the NRC approved a change of the operating license expiration for Clinton from 2026 to 2027



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# Nuclear Fleet Overview (continued)

| Plant Location | Type/Containment | License Renewal Status | License Expiration (1) | Capacity (MW) (2) | Policy Support (Term) | Ownership | Spent Fuel Storage | 2-Year Capacity Factor (3) |
|---|---|---|---|---|---|---|---|---|
| Peach Bottom, PA (Units 2 and 3) (5) | Boiling Water Reactor Steel Vessel/Mark I | Renewed | Unit 2: 2033<br>Unit 3: 2034 | 1,324 | Federal PTC Jan '24 – Dec '32 | Constellation: 50% PSEG: 50% | Dry Cask | Unit 2: 95.5%<br>Unit 3: 95.9% |
| Quad Cities, IL (Units 1 and 2) | Boiling Water Reactor Steel Vessel/Mark I | Renewed | Unit 1: 2032<br>Unit 2: 2032 | 1,403 | ZEC Jun '17 – May '27 | Constellation: 75%<br>Mid-American Holdings: 25% | Dry Cask | Unit 1: 94.9%<br>Unit 2: 90.0% |
| R.E. Ginna, NY (Unit 1) | Pressurized Water Reactor Concrete/Steel Lined | Renewed (4) | Unit 1: 2029 | 576 | ZEC Apr '17 – Mar '29 | Constellation: 100% | Dry Cask | Unit 1: 95.9% |
| Salem, NJ (Units 1 and 2) | Pressurized Water Reactor Concrete/Steel Lined | Renewed | Unit 1: 2036<br>Unit 2: 2040 | 995 | ZEC Jun '22 – May '25 | Constellation: 42.59%<br>PSEG: 57.41% | Dry Cask | Unit 1: 88.8%<br>Unit 2: 94.8% |
| South Texas Project Bay City, TX (Units 1 and 2) | Pressurized Water Reactor Concrete/Steel Lined | Renewed | Unit 1: 2047<br>Unit 2: 2048 | 1,161 | Federal PTC Jan '24 – Dec '32 | Constellation: 44%<br>CPS Energy: 40%<br>Austin Energy: 16% | Dry Cask | Unit 1: 94.9%<br>Unit 2: 90.4% |
| | | | **Total Capacity** | **22,070** | | | | |

(1) Operating license renewal process takes approximately 4-5 years from commencement until completion of NRC review
(2) Net generation capacity is stated at estimated proportionate ownership share as of December 31, 2022 per Annual Form 10-K
(3) 2-Year capacity factor based on 2022-2023, except for STP which reflects 2021-2022 due to data availability
(4) Constellation has notified the Nuclear Regulatory Commission (NRC) of intent to seek the first license renewal at Clinton and subsequent license renewals at Dresden, Ginna, and Nine Mile Point 1
(5) In February 2022, the NRC issued an order related to its review of our subsequent license renewal application for Peach Bottom and the NRC directed its staff to change the expiration dates for the licenses back to 2033 and 2034. We expect that the license expiration dates will be restored to 2053 and 2054, respectively.



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## Renewables Fleet (Wind)

| Asset Name | ISO | Location | No. of Units | Primary Fuel Type | Primary Dispatch Type | Net Generation Capacity (MW) (1) | Ownership Interest (%) (2) |
|---|---|---|---|---|---|---|---|
| Michigan Wind 2 | MISO | Sanilac Co., MI | 50 | Wind | Intermittent | 46 | 51 |
| Beebe | MISO | Gratiot Co., MI | 34 | Wind | Intermittent | 42 | 51 |
| Michigan Wind 1 | MISO | Huron Co., MI | 46 | Wind | Intermittent | 35 | 51 |
| Harvest 2 | MISO | Huron Co., MI | 33 | Wind | Intermittent | 30 | 51 |
| Harvest | MISO | Huron Co., MI | 31 | Wind | Intermittent | 26 | 51 |
| Beebe 1B | MISO | Gratiot Co., MI | 21 | Wind | Intermittent | 26 | 51 |
| CP Windfarm | MISO | Faribault Co., MN | 2 | Wind | Intermittent | 2 | 51 |
| Whitetail | ERCOT | Webb County, TX | 57 | Wind | Intermittent | 47 | 51 |
| Sendero | ERCOT | Jim Hogg and Zapata County, TX | 39 | Wind | Intermittent | 40 | 51 |
| Criterion | PJM | Oakland, MD | 28 | Wind | Intermittent | 36 | 51 |
| Fair Wind | PJM | Garrett County, MD | 12 | Wind | Intermittent | 30 | |
| Fourmile Ridge | PJM | Garrett County, MD | 16 | Wind | Intermittent | 20 | 51 |
| Bluestem | SPP | Beaver County, OK | 60 | Wind | Intermittent | 101 | 51 |
| Shooting Star | SPP | Kiowa County, KS | 65 | Wind | Intermittent | 53 | 51 |
| Bluegrass Ridge | SERC | King City, MO | 27 | Wind | Intermittent | 29 | 51 |
| Conception | SERC | Barnard, MO | 24 | Wind | Intermittent | 26 | 51 |
| Cow Branch | SERC | Rock Port, MO | 24 | Wind | Intermittent | 26 | 51 |
| Mountain Home | Northwest | Glenns Ferry, ID | 20 | Wind | Intermittent | 21 | 51 |
| High Mesa | Northwest | Elmore Co., ID | 19 | Wind | Intermittent | 20 | 51 |
| Echo 1 | Northwest | Echo, OR | 21 | Wind | Intermittent | 17 | 50.49 |
| Cassia | Northwest | Buhl, ID | 13 | Wind | Intermittent | 14 | 51 |
| Wildcat | Southwest | Lovington, NM | 13 | Wind | Intermittent | 14 | 51 |
| Echo 2 | Northwest | Echo, OR | 9 | Wind | Intermittent | 9 | 51 |
| Tuana Springs | Northwest | Hagerman, ID | 8 | Wind | Intermittent | 9 | 51 |
| Greensburg | SPP | Greensburg, KS | 10 | Wind | Intermittent | 6 | 51 |
| Three Mile Canyon | Northwest | Boardman, OR | 6 | Wind | Intermittent | 5 | 51 |
| Loess Hills | SERC | Rock Port, MO | 4 | Wind | Intermittent | 5 | |
| **Total Wind** | | | | | | **735** | |

(1) Net generation capacity is stated at estimated proportionate ownership share as of December 31, 2023 per Annual Form 10-K
(2) 100% ownership, unless otherwise indicated



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# Renewables Fleet (Solar/Hydro/Storage)

| Asset Name | ISO | Location | No. of Units | Primary Fuel Type | Primary Dispatch Type | Net Generation Capacity (MW) [1] | Ownership Interest (%) [2] |
|---|---|---|---|---|---|---|---|
| Solar Horizons | PJM | Emmitsburg, MD | 1 | Solar | Intermittent | 8 | 51 |
| Solar New Jersey 3 | PJM | Middle Township, NJ | 5 | Solar | Intermittent | 1 | 51 |
| Antelope Valley | CAISO | Lancaster, CA | 1 | Solar | Intermittent | 242 | |
| Sacramento PV Energy | CAISO | Sacramento, CA | 4 | Solar | Intermittent | 15 | 51 |
| Denver Airport Solar | Southwest | Denver, CO | 1 | Solar | Intermittent | 2 | 51 |
| **Total Solar** | | | | | | **268** | |
| Muddy Run | PJM | Drumore, PA | 8 | Hydroelectric | Intermediate | 1,058 | |
| Conowingo | PJM | Darlington, MD | 11 | Hydroelectric | Base-load | 497 | |
| Clinton Battery Storage | PJM | Blanchester, OH | 1 | Energy Storage | Peaking | 5 | |
| **Total Hydro/Storage** | | | | | | **1,560** | |
| **Total Renewables** | | | | | | **2,563** | |

(1) Net generation capacity is stated at estimated proportionate ownership share as of December 31, 2023 per Annual Form 10-K
(2) 100% ownership, unless otherwise indicated



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# Natural Gas Fleet

| Asset Name | ISO | Location | No. of Units | Primary Fuel Type | Primary Dispatch Type | Net Generation Capacity (MW) (1) | Ownership Interest (%) (2) |
|---|---|---|---|---|---|---|---|
| Mystic 8, 9 | ISO-NE | Charlestown, MA | 6 | Gas | Intermediate | 1,413 | |
| Hillabee | SERC | Alexander City, AL | 3 | Gas | Intermediate | 753 | |
| West Medway II | ISO-NE | West Medway, MA | 2 | Oil/Gas | Peaking | 193 | |
| West Medway | ISO-NE | West Medway, MA | 3 | Oil | Peaking | 124 | |
| Grand Prairie | Alberta | Alberta, Canada | 1 | Gas | Peaking | 105 | |
| Wyman 4 | ISO-NE | Yarmouth, ME | 1 | Oil | Intermediate | 36 | 5.9 |
| Framingham | ISO-NE | Framingham, MA | 3 | Oil | Peaking | 31 | |
| Eddystone 3, 4 | PJM | Eddystone, PA | 2 | Oil/Gas | Peaking | 760 | |
| Perryman | PJM | Aberdeen, MD | 5 | Oil/Gas | Peaking | 404 | |
| Croydon | PJM | West Bristol, PA | 8 | Oil | Peaking | 391 | |
| Handsome Lake | PJM | Kennerdell, PA | 5 | Gas | Peaking | 268 | |
| Richmond | PJM | Philadelphia, PA | 2 | Oil | Peaking | 98 | |
| Philadelphia Road | PJM | Baltimore, MD | 4 | Oil | Peaking | 60 | |
| Eddystone | PJM | Eddystone, PA | 4 | Oil | Peaking | 60 | |
| Delaware | PJM | Philadelphia, PA | 4 | Oil | Peaking | 56 | |
| Southwark | PJM | Philadelphia, PA | 4 | Oil | Peaking | 52 | |
| Falls | PJM | Morrisville, PA | 3 | Oil | Peaking | 51 | |
| Moser | PJM | Lower Pottsgrove Twp., PA | 3 | Oil | Peaking | 51 | |
| Chester | PJM | Chester, PA | 3 | Oil | Peaking | 39 | |
| Schuylkill | PJM | Philadelphia, PA | 2 | Oil | Peaking | 30 | |
| Colorado Bend II | ERCOT | Wharton, TX | 3 | Gas | Intermediate | 1,138 | |
| Wolf Hollow II | ERCOT | Granbury, TX | 3 | Gas | Intermediate | 1,103 | |
| Handley 3 | ERCOT | Fort Worth, TX | 1 | Gas | Intermediate | 375 | |
| Handley 4, 5 | ERCOT | Fort Worth, TX | 2 | Gas | Peaking | 870 | |
| **Total Natural Gas/Oil/Other** | | | | | | **8,461** | |

(1) Net generation capacity is stated at estimated proportionate ownership share as of December 31, 2023 per Annual Form 10-K
(2) 100% ownership, unless otherwise indicated



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# Appendix F: Reconciliation of Non-GAAP Measures



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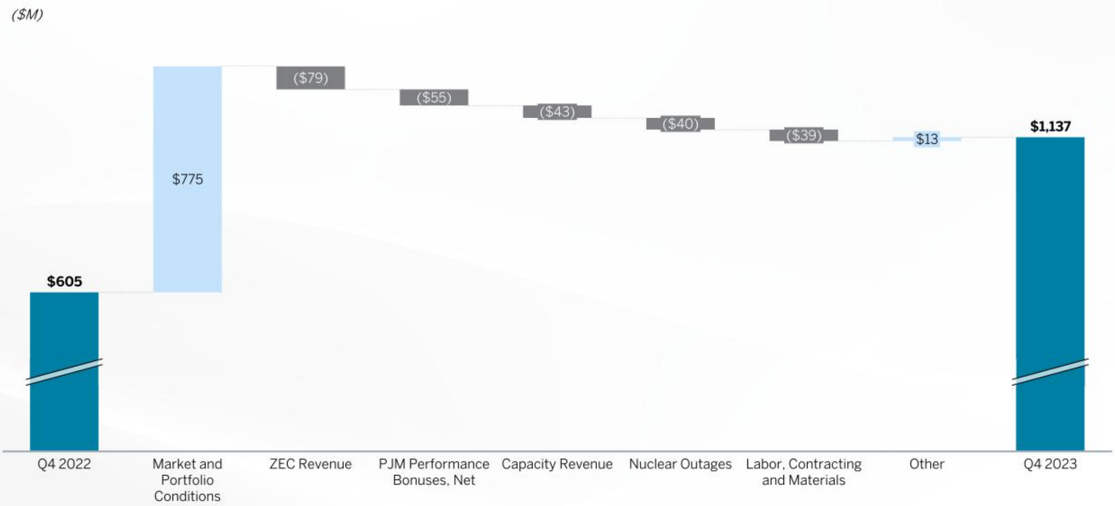
# Q4 2023 Adjusted EBITDA*




Note: GAAP to Non-GAAP reconciliations for Adjusted EBITDA* can be found on page 67 of the Appendix



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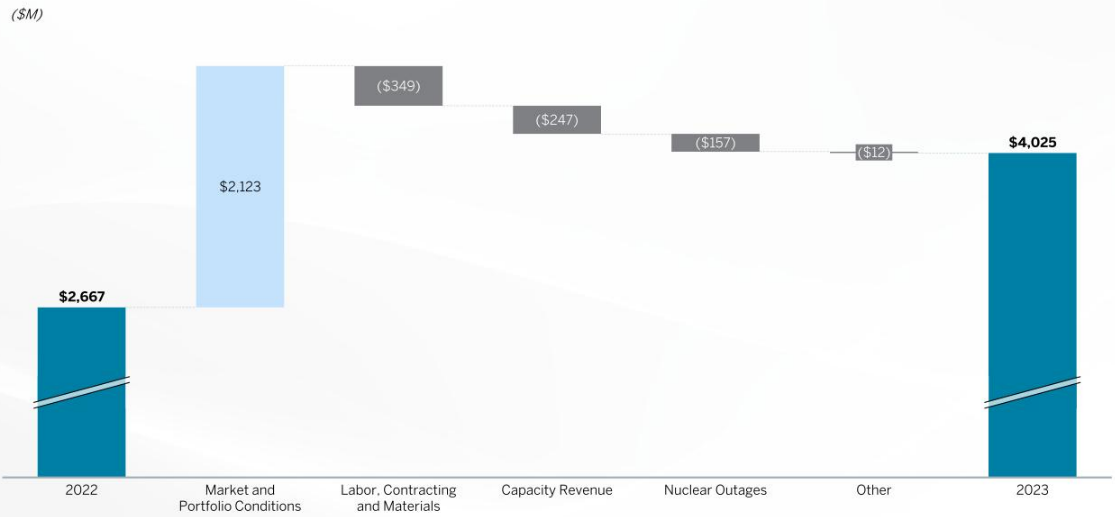
## 2023 Full Year Adjusted EBITDA*




Note: GAAP to Non-GAAP reconciliations for Adjusted EBITDA* can be found on page 67 of the Appendix

# GAAP to Non-GAAP Reconciliations [1]

**S&P FFO/Debt [2] =** $\frac{\textbf{FFO (a)}}{\textbf{Adjusted Debt (b)}}$

**Moody's CFO Pre-WC/Debt [3] =** $\frac{\textbf{CFO (Pre-WC) (c)}}{\textbf{Adjusted Debt (d)}}$

### S&P FFO Calculation [2]

GAAP Operating Income
<u>+ Depreciation & Amortization</u>
= EBITDA
- Interest
+/- Cash Taxes
+ Nuclear Fuel Amortization
+/- Mark-to-Market Adjustments (Economic Hedges)
<u>+/- Other S&P Adjustments</u>
**= FFO (a)**

### Moody's CFO Pre-WC Calculation [3]

Cash Flow From Operations
+/- Working Capital Adjustment
- Nuclear Fuel Capital Expenditures
<u>+/- Other Moody's CFO Adjustments</u>
**= CFO Pre-Working Capital (c)**

### S&P Adjusted Debt Calculation [2]

Long-Term Debt
+ Short-Term Debt
+ Purchase Power Agreement and Operating Lease Imputed Debt
+ Pension/OPEB Imputed Debt (after-tax)
+ AR Securitization Imputed Debt
- Off-Credit Treatment of Non-Recourse Debt
- Cash on Balance Sheet
<u>+/- Other S&P Adjustments</u>
**= Adjusted Debt (b)**

### Moody's Adjusted Debt Calculation [3]

Long-Term Debt
+ Short-Term Debt
+ Underfunded Pension (pre-tax)
+ Operating Lease Imputed Debt
<u>+/- Other Moody's Debt Adjustments</u>
**= Adjusted Debt (d)**

(1) Due to the forward-looking nature of some forecasted non-GAAP measures, information to reconcile the forecasted adjusted (non-GAAP) measures to the most directly comparable GAAP measure may not be available; therefore, management is unable to reconcile these measures
(2) Calculated using S&P Methodology
(3) Calculated using Moody's Methodology



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# GAAP to Non-GAAP Reconciliations [1]

$$\text{S\&P Debt/EBITDA}^{(2)} = \frac{\text{Adjusted Debt (a)}}{\text{EBITDA (b)}}$$

**S&P Adjusted Debt Calculation [2]**

Long-Term Debt
+ Short-Term Debt
+ Purchase Power Agreement and Operating Lease Imputed Debt
+ Pension/OPEB Imputed Debt (after-tax)
+ AR Securitization Imputed Debt
- Off-Credit Treatment of Non-Recourse Debt
- Cash on Balance Sheet
+/- Other S&P Adjustments
**= Adjusted Debt (a)**

**S&P EBITDA Calculation [2]**

GAAP Operating Income
+ Depreciation & Amortization
= EBITDA
+ Nuclear Fuel Amortization
+/- Mark-to-Market Adjustments (Economic Hedges)
+/- Other S&P Adjustments
**= EBITDA (b)**

(1) Due to the forward-looking nature of some forecasted non-GAAP measures, information to reconcile the forecasted adjusted (non-GAAP) measures to the most directly comparable GAAP measure may not be available; therefore, management is unable to reconcile these measures
(2) Calculated using S&P Methodology



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# GAAP to Non-GAAP Reconciliation – Adjusted EBITDA*

| Adjusted EBITDA* Reconciliation ($M) | Three Months Ended December 31, 2022 | Three Months Ended December 31, 2023 | Twelve Months Ended December 31, 2022 | Twelve Months Ended December 31, 2023 |
|---|---|---|---|---|
| **GAAP Net (Loss) Income** | **$34** | **($36)** | **($160)** | **$1,623** |
| Income Tax (Benefit) Expense (1) | $133 | $158 | ($339) | $840 |
| Depreciation and Amortization | $272 | $288 | $1,091 | $1,096 |
| Interest Expense, Net | $64 | $139 | $251 | $431 |
| Unrealized (Gain) Loss on Fair Value (2) | $413 | $1,002 | $1,058 | $658 |
| Asset Impairments | - | - | - | $71 |
| Plant Retirements & Divestitures | ($7) | - | ($11) | ($28) |
| Decommissioning-Related Activities (3) | ($306) | ($439) | $820 | ($716) |
| Pension & OPEB Non-Service Credits | ($31) | ($14) | ($116) | ($54) |
| Separation Costs (4) | $41 | $17 | $140 | $101 |
| Acquisition Related Costs | - | $9 | - | $12 |
| ERP System Implementation Costs (5) | $6 | $5 | $22 | $25 |
| Change in Environmental Liabilities | ($2) | $15 | $10 | $43 |
| Prior Merger Commitment (6) | - | - | ($50) | - |
| Noncontrolling Interests (7) | ($12) | ($7) | ($49) | ($77) |
| **Adjusted EBITDA*** | **$605** | **$1,137** | **$2,667** | **$4,025** |

Note: Items may not sum due to rounding

(1) Includes amounts contractually owed to Exelon under the Tax Matters Agreement (TMA) reflected in Other, net

(2) Includes mark-to-market on economic hedges and fair value adjustments related to gas imbalances and equity investments

(3) Reflects all gains and losses associated with Nuclear Decommissioning Trusts (NDT), Asset Retirement Obligation (ARO) accretion, ARO remeasurement, and impacts of contractual offset for Regulatory Agreement Units

(4) Represents certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the Transition Services Agreement (TSA)

(5) Reflects costs related to a multi-year Enterprise Resource Program (ERP) system implementation

(6) Reversal of a charge related to a 2012 merger commitment

(7) Represents elimination of the noncontrolling interest related to certain adjustments



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# GAAP to Non-GAAP Reconciliation – 2023 Adjusted EBITDA*

| Adjusted EBITDA* Reconciliation ($M) | Three Months Ended March 31, 2023 | June 30, 2023 | September 30, 2023 | December 31, 2023 |
|---|---|---|---|---|
| **GAAP Net Income (Loss)** | **$96** | **$833** | **$731** | **($36)** |
| Income Tax (Benefit) Expense (1) | $131 | $342 | $209 | $158 |
| Depreciation and Amortization | $267 | $274 | $266 | $288 |
| Interest Expense, Net | $107 | $103 | $82 | $139 |
| Unrealized (Gain)/Loss on Fair Value Adjustments (2) | $297 | ($426) | ($215) | $1,002 |
| Asset Impairments | - | - | $71 | - |
| Plant Retirements & Divestitures | ($27) | - | - | - |
| Decommissioning-Related Activities (3) | ($240) | ($116) | $79 | ($439) |
| Pension & OPEB Non-Service Credits | ($14) | ($14) | ($14) | ($14) |
| Separation Costs (4) | $30 | $36 | $18 | $17 |
| Acquisition Related Costs | - | - | - | $9 |
| ERP System Implementation Costs (5) | $6 | $10 | $5 | $5 |
| Change in Environmental Liabilities | $17 | $1 | $13 | $15 |
| Noncontrolling Interests (6) | ($12) | ($12) | ($46) | ($7) |
| **Adjusted EBITDA*** | **$658** | **$1,031** | **$1,199** | **$1,137** |

Note: Items may not sum due to rounding
(1) Includes amounts contractually owed to Exelon under the Tax Matters Agreement (TMA) reflected in Other, net
(2) Includes mark-to-market on economic hedges and fair value adjustments related to gas imbalances and equity investments
(3) Reflects all gains and losses associated with Nuclear Decommissioning Trusts (NDT), Asset Retirement Obligation (ARO) accretion, ARO remeasurement, and impacts of contractual offset for Regulatory Agreement Units
(4) Represents certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the Transition Services Agreement (TSA)
(5) Reflects costs related to a multi-year Enterprise Resource Program (ERP) system implementation
(6) Represents elimination of the noncontrolling interest related to certain adjustments



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# GAAP to Non-GAAP Reconciliation – 2023 Adjusted Operating EPS*

| Adjusted Operating EPS* Reconciliation | Three Months Ended March 31, 2023 | Three Months Ended June 30, 2023 | Three Months Ended September 30, 2023 | Three Months Ended December 31, 2023 | Twelve Months Ended December 31, 2023 |
|---|---|---|---|---|---|
| **GAAP Earnings Per Share (Loss)** | **$0.29** | **$2.56** | **$2.26** | **($0.11)** | **$5.01** |
| Unrealized (Gain)/Loss on Fair Value Adjustments (1) | $0.69 | ($0.99) | ($0.49) | $2.36 | $1.56 |
| Plant Retirements & Divestitures | ($0.06) | $0.00 | $0.00 | $0.03 | ($0.02) |
| Decommissioning-Related Activities (2) | ($0.23) | ($0.01) | $0.24 | ($0.56) | ($0.56) |
| Pension & OPEB Non-Service Credits | ($0.03) | ($0.03) | ($0.03) | ($0.03) | ($0.13) |
| Separation Costs (3) | $0.07 | $0.08 | $0.05 | ($0.02) | $0.19 |
| ERP System Implementation Costs (4) | $0.01 | $0.02 | $0.01 | $0.01 | $0.06 |
| Change in Environmental Liabilities | $0.04 | $0.00 | $0.03 | $0.03 | $0.10 |
| Asset Impairments | - | - | $0.19 | - | $0.19 |
| Acquisition-Related Costs | - | - | - | $0.03 | $0.03 |
| Noncontrolling Interests (5) | ($0.00) | ($0.00) | ($0.11) | ($0.00) | ($0.12) |
| Income Tax Related Adjustments | - | - | ($0.03) | - | ($0.03) |
| **Adjusted Operating Earnings* Per Share (Loss)** | **$0.78** | **$1.64** | **$2.13** | **$1.74** | **$6.28** |
| Average outstanding shares (millions) (6) | 328 | 325 | 323 | 321 | 324 |

Note: Items may not sum due to rounding.
(1) Includes mark-to-market on economic hedges, interest rate swaps, and fair value adjustments related to gas imbalances and equity investments
(2) Reflects all gains and losses associated with Nuclear Decommissioning Trusts (NDT), Asset Retirement Obligation (ARO) accretion and Asset Retirement Cost (ARC) depreciation, ARO remeasurement, and impacts of contractual offset for Regulatory Agreement Units
(3) Represents certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the Transition Services Agreement (TSA)
(4) Reflects costs related to a multi-year Enterprise Resource Program (ERP) system implementation
(5) Represents elimination of the noncontrolling interest related to certain adjustments
(6) Reflects weighted average shares outstanding reported in 10-Q and 10-K filings



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# GAAP to Non-GAAP Reconciliation – 2024 Adjusted EPS* Guidance

| Adjusted EPS* Reconciliation ($/share) | 2024 |
|---|---|
| **GAAP Earnings Per Share** | **$9.13 - $9.93** |
| Plant Retirements & Divestitures | $0.16 |
| Unrealized (Gain) / Loss on Fair Value Adjustments (1) | ($2.70) |
| Pension and OPEB Non-Service Credits | ($0.04) |
| Decommissioning Related Activity (2) | $0.64 |
| Separation Costs (3) | $0.02 |
| ERP System Implementation (4) | $0.02 |
| Noncontrolling Interest (5) | ($0.01) |
| **Adjusted Earnings Per Share*** | **$7.23 - $8.03** |

Note: Items may not sum due to rounding. 2024 earnings guidance based on expected average shares outstanding of 316 million.
(1) Includes mark-to-market on economic hedges, interest rate swaps, and fair value adjustments related to gas imbalances and equity investments
(2) Reflects all gains and losses associated with Nuclear Decommissioning Trusts (NDT), Asset Retirement Obligation (ARO) accretion and Asset Retirement Cost (ARC) depreciation, ARO remeasurement, and impacts of contractual offset for Regulatory Agreement Units
(3) Represents certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the Transition Services Agreement (TSA)
(4) Reflects costs related to a multi-year Enterprise Resource Program (ERP) system implementation
(5) Represents elimination of the noncontrolling interest related to certain adjustments



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# GAAP to Non-GAAP Reconciliation

| Adjusted O&M* Reconciliation ($M) | 2023 | 2024 | 2025 |
|---|---|---|---|
| **GAAP O&M** | **$5,675** | **$5,650** | **$5,525** |
| Decommissioning-Related Activities (1) | ($100) | ($150) | ($150) |
| Direct cost of sales incurred to generate revenues for certain Commercial and Power businesses (2) | ($250) | ($275) | ($250) |
| Separation Costs (3) | ($100) | - | - |
| ERP System Implementation (4) | ($25) | - | - |
| Change in Environmental Liabilities | ($50) | - | - |
| Asset Impairment | ($75) | - | - |
| **Adjusted O&M*** | **$5,100** | **$5,225** | **$5,125** |

Note: Items may not sum due to rounding. All amounts rounded to the nearest $25M.
(1) Reflects all gains and losses associated with NDT, ARO accretion, ARO remeasurement, and any earnings neutral impacts of contractual offset for Regulatory Agreement Units
(2) Reflects the direct cost of sales of certain businesses, which are included in gross margin.
(3) Represents certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the TSA
(4) Reflects costs related to a multi-year ERP system implementation



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# Reconciliation of Projected Free Cash Before Growth (FCFbg)

| Projected Free Cash Flow before Growth* ($M) | 2024 - 2025 |
|---|---|
| **Adjusted Cash from Operations* (1)** | **$11,850 - $12,250** |
| Baseline and Nuclear Fuel Capital Expenditures | ($4,175) |
| Reinvestment in Nuclear Decommissioning Trust Funds (2) | ($550) |
| Collateral activity | ($1,400) |
| Other Net Investing Activities | ($25) |
| **Projected Free Cash Flow before Growth*** | **$5,700 - $6,100** |

Note: All amounts rounded to the nearest $25M. Items may not sum due to rounding
(1) Includes Collection of Deferred Purchase Price (DPP) related to the revolving accounts receivable arrangement, which is presented in cash flows from investing activities for GAAP. Cash flows from collection of DPP are not forecasted.
(2) Reflects reinvestment of proceeds from nuclear decommissioning trust funds that are presented in Adjusted Cash Flows from Operations*. Impact is cash flow neutral.



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