# EEI ESG/Sustainability Template (2020)

## Corporate Responsibility Oversight and ESG Governance

FirstEnergy is committed to providing our shareholders, customers and employees with comprehensive information on our strategies regarding environmental, social and governance (ESG) issues. Overall management of corporate responsibility, ESG-related issues and strategy rests with our Chief Executive Officer, Charles E. Jones, and President, Steven E. Strah. Our Board of Directors provides oversight and feedback on related initiatives through an engaged Corporate Governance and Corporate Responsibility Committee, comprising four independent directors that meet five times per year. In addition, employees throughout the company participate in executing our corporate responsibility strategy and play a key role in helping us to meet our ESG objectives.

We have a dedicated Corporate Responsibility team within our Strategy department that is overseen by FirstEnergy's Senior Vice President of Strategy. This team works to fully embed corporate responsibility into our company culture, develop initiatives that support our mission statement, exceed our stakeholders' ESG expectations, and ensure we are sustainable into the future.

In addition, a cross-functional, executive-level steering committee reviews and guides governance decisions, including how we address the risks and opportunities associated with corporate responsibility and climate change. Members of this committee include senior leadership from the Community Involvement, Legal, Environmental, Human Resources, Investor Relations, Risk and Strategy departments.

## Corporate Responsibility and ESG at FirstEnergy

Built on our mission statement, FirstEnergy's corporate responsibility strategy to inform, engage and achieve results is rooted in our foundation of strong corporate governance practices and policies that promote transparency and accountability. Our forward-thinking strategy helps our company be sustainable and accountable to ourselves and our stakeholders; remain conscious of the impact we have on our internal and external stakeholders; and operate in ways that positively affect the environment and the communities in which we live and work.

As a demonstration of our commitment to corporate responsibility and ESG issues, FirstEnergy conducted its first ESG materiality assessment in 2020, engaging internal and external stakeholders to identify, prioritize and validate our most material topics. Our process was guided by the foundational principles outlined in the Global Reporting Initiative (GRI) Framework as well as the Sustainability Accounting Standards Board (SASB).

The results of our assessment affirmed several topics that are integral to our business, such as safety and health, financial performance, energy reliability and resiliency, and cyber and physical security. Additionally, our materiality assessment validated topics that are central to FirstEnergy's ESG strategy and provide a strong foundation for continued forward-thinking initiatives: greenhouse gas (GHG) emissions and climate change, innovation, community vitality, and diversity and inclusion. These topics align with our company's mission and core values and have been integrated into our goal-setting initiatives. We expect them to be material and influential to our company strategy for the foreseeable future.

In addition, the findings from our materiality assessment will help inform and drive our ESG strategy, priorities and initiatives. We'll also use the results to continue to educate and inform our stakeholders, enhance our reporting disclosures and evaluate opportunities for additional goal setting.

As indicated by the materiality assessment, greenhouse gas emissions and climate change are material ESG topics for FirstEnergy. Our climate position and strategy, released in November 2020, reinforces our understanding that these are also important material ESG topics to our stakeholders. As our position states, we believe climate change is among the most important issues of our time, and we're committed to doing our part to ensure a bright and sustainable future for the communities we serve. Through the diligent execution of our climate strategy, we will work toward achieving carbon neutrality by 2050, which we view as a key step in meeting the climate challenge and building a sustainable energy future for the next generation. In addition, we have a responsibility to our stakeholders to proactively mitigate the company's climate change risks and capitalize on emerging opportunities in a carbon-neutral economy—all while meeting the changing needs of our diverse customer base.

Our climate strategy consists of the following key objectives:

- protecting and enhancing our transmission system to enable a clean-energy and carbon-neutral future
- building a technologically advanced distribution platform that improves grid reliability and resiliency while also enabling our company and customers to support a carbon-neutral economy
- being innovative and forward thinking as we explore opportunities for continued increased efficiency of our regulated coal generation fleet, incorporation of renewable resources and implementation of emerging technologies that support our company's mission.

Several recently announced goals support our climate position and climate strategy:

- As we continue to evaluate opportunities for regulated renewable generating sources, we have set a goal to own at least 50 MW of solar generation in West Virginia by 2025.
- Beginning in 2021, we plan for 100% of new purchases for our light-duty and aerial truck fleet to be electric or hybrid vehicles, creating a path to 30% fleet electrification by 2030 and eliminating more than 10,000 annual metric tons of $CO_2e$ by 2030.
- We pledge to achieve carbon neutrality by 2050, with an interim goal to reduce our companywide Scope 1 GHG emissions by 30% from our 2019 baseline by 2030. This will require significant business practice modifications to our distribution, transmission and generation operations, including a commitment to begin a thoughtful transition away from our two West Virginia coal generation facilities by 2050.

We encourage you to read more about our corporate responsibility and ESG initiatives, our Climate Report, climate story, Task Force on Climate-Related Financial Disclosures (TCFD) Report, strategic plan and more on our Corporate Responsibility website.

This report contains forward looking statements based on information available to the company. For more information, including our full forward-looking statement please visit our Shareholder Engagement page.

# Electric Company ESG/Sustainability Quantitative Information

**Parent Company:** FirstEnergy Corp
**Operating Company(s):** Penelec, Mon Power, Met-Ed, Ohio Edison, The Illuminating Company, JCP&L, Potomac Edison, Penn Power, Toledo Edison, West Penn Power
**Business Type(s):** Vertically integrated
**State(s) of Operation:** Maryland, New Jersey, New York, Ohio, Pennsylvania, West Virginia
**State(s) with RPS Programs:** Maryland, New Jersey, New York, Ohio, Pennsylvania
**Regulatory Environment:** Regulated
**Report Date:** 9/4/2020

| Ref No. | Metric | 2018 | 2019 | 2020 | 2050 | Additional Information |
|---|---|---|---|---|---|---|
| **Portfolio** | | | | | | |
| 1 | Owned Nameplate Generation Capacity at end of year (MW) | | | | | Net demonstrated capacity as reported in FE's 10-K Filing 2020 data represents anticipated year-end nameplate capacity |
| 1.1 | Coal | 9,270 | 3,082 | 3,082 | | |
| 1.2 | Natural Gas | 545 | 0 | 0 | | |
| 1.3 | Nuclear | 4,048 | 0 | 0 | | |
| 1.4 | Petroleum | 59 | 0 | 0 | | |
| 1.5 | Total Renewable Energy Resources | | | | | |
| 1.5.1 | Biomass/Biogas | 0 | 0 | 0 | | |
| 1.5.2 | Geothermal | 0 | 0 | 0 | | |
| 1.5.3 | Hydroelectric | 1,410 | 697 | 697 | | |
| 1.5.4 | Solar | 0 | 0 | 0 | | |
| 1.5.5 | Wind | 0 | 0 | 0 | | |
| 1.6 | Other | 0 | 0 | 0 | | |

| Ref No. | Metric | 2018 | 2019 | 2020 | 2050 | Additional Information |
|---|---|---|---|---|---|---|
| **Portfolio** | | | | | | |
| 2 | Net Generation for the data year (MWh) | 109,322,672 | 65,313,409 | | | |
| 2.1 | Coal | | | | | |
| 2.2 | Natural Gas | | | | | |
| 2.3 | Nuclear | | | | | |
| 2.4 | Petroleum | | | | | |
| 2.5 | Total Renewable Energy Resources | | | | | |
| 2.5.1 | Biomass/Biogas | | | | | |
| 2.5.2 | Geothermal | | | | | |
| 2.5.3 | Hydroelectric | | | | | |
| 2.5.4 | Solar | | | | | |
| 2.5.5 | Wind | | | | | |
| 2.6 | Other | | | | | |
| 2.i | Owned Net Generation for the data year (MWh) | | | | | Net generation data as reported on EIA's Form 923, and FE's internal numbers |
| 2.1.i | Coal | 34,240,820 | 19,595,230 | | | |
| 2.2.i | Natural Gas | 0 | 0 | | | |
| 2.3.i | Nuclear | 32,944,220 | 0 | | | |
| 2.4.i | Petroleum | 45,239 | 0 | | | |
| 2.5.i | Total Renewable Energy Resources | | | | | |
| 2.5.1.i | Biomass/Biogas | 0 | 0 | | | |
| 2.5.2.i | Geothermal | 0 | 0 | | | |
| 2.5.3.i | Hydroelectric | -115,190 | -47,060 | | | |
| 2.5.4.i | Solar | 0 | 0 | | | |
| 2.5.5.i | Wind | 0 | 0 | | | |
| 2.6.i | Other | 0 | 0 | | | |

| Ref No. | Metric | 2018 | 2019 | 2020 | 2050 | Additional Information |
|---|---|---|---|---|---|---|
| **Portfolio** | | | | | | |
| 2.ii | Purchased Net Generation for the data year (MWh) | 42,207,583 | 45,765,239 | | | Total Purchased Generation as found in FE's FERC Form 1's. MWh purchased from an FE owned company were removed to avoid double counting of emissions. Regional eGRID emission factors used in the calculation. |
| 2.1.ii | Coal | | | | | |
| 2.2.ii | Natural Gas | | | | | |
| 2.3.ii | Nuclear | | | | | |
| 2.4.ii | Petroleum | | | | | |
| 2.5.ii | Total Renewable Energy Resources | | | | | |
| 2.5.1.ii | Biomass/Biogas | | | | | |
| 2.5.2.ii | Geothermal | | | | | |
| 2.5.3.ii | Hydroelectric | | | | | |
| 2.5.4.ii | Solar | | | | | |
| 2.5.5.ii | Wind | | | | | |
| 2.6.ii | Other | | | | | |
| 3 | Investing in the Future: Capital Expenditures, Energy Efficiency (EE), and Smart Meters | | | | | |
| 3.1 | Total Annual Capital Expenditures (nominal dollars) | 2,983,000,000 | 2,992,000,000 | | | |
| 3.2 | Incremental Annual Electricity Savings from EE Measures (MWh) | 1,627,000 | 1,328,000 | | | |
| 3.3 | Incremental Annual Investment in Electric EE Programs (nominal dollars) | 161,649,093 | 159,000,000 | | | |
| 3.4 | Percent of Total Electric Customers with Smart Meters (at end of year) | 33% | 34% | | | |
| 4 | Retail Electric Customer Count (at end of year) | | | | | |
| 4.1 | Commercial | 735,242 | 735,442 | | | |
| 4.2 | Industrial | 19,538 | 23,168 | | | |
| 4.3 | Residential | 5,342,283 | 5,373,113 | | | |

| Ref No. | Metric | 2018 | 2019 | 2020 | 2050 | Additional Information |
|---|---|---|---|---|---|---|
| **Emissions** | | | | | | |
| 5 | GHG Emissions: Carbon Dioxide ($CO_2$) and Carbon Dioxide Equivalent ($CO_2e$)<br>*Note: The alternatives available below are intended to provide flexibility in reporting GHG emissions, and should be used to the extent appropriate for each company.* | | | | | |
| 5.1 | Owned Generation (1) (2) (3) | | | | | |
| 5.1.1 | Carbon Dioxide ($CO_2$) | | | | | |
| 5.1.1.1 | Total Owned Generation $CO_2$ Emissions (MT) | 32,573,923 | 17,839,367 | | 0 | |
| 5.1.1.2 | Total Owned Generation $CO_2$ Emissions Intensity (MT/Net MWh) | 0.537 | 0.913 | | | |
| 5.1.2 | Carbon Dioxide Equivalent ($CO_2e$) | | | | | |
| 5.1.2.1 | Total Owned Generation $CO_2e$ Emissions (MT) | 32,748,805 | 17,935,528 | | | |
| 5.1.2.2 | Total Owned Generation $CO_2e$ Emissions Intensity (MT/Net MWh) | 0.539 | 0.918 | | | |
| 5.2 | Purchased Power (4) | | | | | |
| 5.2.1 | Carbon Dioxide ($CO_2$) | | | | | |
| 5.2.1.1 | Total Purchased Generation $CO_2$ Emissions (MT) | 20,097,650 | | | | |
| 5.2.1.2 | Total Purchased Generation $CO_2$ Emissions Intensity (MT/Net MWh) | 0.476 | | | | |
| 5.2.2 | Carbon Dioxide Equivalent ($CO_2e$) | | | | | |
| 5.2.2.1 | Total Purchased Generation $CO_2e$ Emissions (MT) | 20,223,892 | 31,884,188 | | | |
| 5.2.2.2 | Total Purchased Generation $CO_2e$ Emissions (MT) | 0.479 | 1.631 | | | |
| **Emissions** | | | | | | |
| 5.3 | Owned Generation + Purchased Power | | | | | |
| 5.3.1 | Carbon Dioxide ($CO_2$) | | | | | |
| 5.3.1.1 | Total Owned + Purchased Generation $CO_2$ Emissions (MT) | 52,671,573 | | | | Left blank due to no data on 5.2.1.1 |
| 5.3.1.2 | Total Owned + Purchased Generation $CO_2$ Emissions Intensity (MT/Net MWh) | 0.517 | | | | |
| 5.3.2 | Carbon Dioxide Equivalent ($CO_2e$) | | | | | |
| 5.3.2.1 | Total Owned + Purchased Generation $CO_2e$ Emissions (MT) | 52,972,697 | 49,819,716 | | | |
| 5.3.2.2 | Total Owned + Purchased Generation $CO_2e$ Emissions Intensity (MT/Net MWh) | 0.520 | 2.549 | | | |
| 5.4 | Non-Generation $CO_2e$ Emissions | | | | | |
| 5.4.1 | Fugitive $CO_2e$ emissions of sulfur hexafluoride (MT) (5) | 120,587.00 | 114,678.00 | | | |
| 5.4.2 | Fugitive $CO_2e$ emissions from natural gas distribution (MT) (6) | | | | | FirstEnergy does not have any natural gas distribution |

| Ref No. | Metric | 2018 | 2019 | 2020 | 2050 | Additional Information |
|---|---|---|---|---|---|---|
| 6 | Nitrogen Oxide (NOx), Sulfur Dioxide ($SO_2$), Mercury (Hg) | | | | | |
| 6.1 | Generation basis for calculation (7) | | | | | |
| 6.2 | Nitrogen Oxide (NOx) | | | | | |
| 6.2.1 | Total NOx Emissions (MT) | 34,207 | 13,661 | | | |
| 6.2.2 | Total NOx Emissions Intensity (MT/Net MWh) | 0.000510 | 0.000699 | | | |
| 6.3 | Sulfur Dioxide ($SO_2$) | | | | | |
| 6.3.1 | Total $SO_2$ Emissions (MT) | 31,810 | 13,959 | | | |
| 6.3.2 | Total $SO_2$ Emissions Intensity (MT/Net MWh) | 0.000436 | 0.000714 | | | |
| 6.4 | Mercury (Hg) | | | | | |
| 6.4.1 | Total Hg Emissions (kg) | 83.6 | 41 | | | |
| 6.4.2 | Total Hg Emissions Intensity (kg/Net MWh) | 0.000002 | 0.000002 | | | |
| **Resources** | | | | | | |
| 7 | Human Resources | | | | | |
| 7.1 | Total Number of Employees | 14,970 | 12,164 | | | |
| 7.2 | Total Number on Board of Directors/Trustees | 13 | 11 | | | |
| 7.3 | Total Women on Board of Directors/Trustees | 4 | 3 | | | |
| 7.4 | Total Minorities on Board of Directors/Trustees | 5 | 4 | | | |
| 7.5 | Employee Safety Metrics | | | | | |
| 7.5.1 | Recordable Incident Rate | 0.80 | 0.98 | | | |
| 7.5.2 | Lost-time Case Rate | 0.25 | 0.36 | | | |
| 7.5.3 | Days Away, Restricted or Transferred (DART) | 0.45 | 0.64 | | | |
| 7.5.4 | Work-related Fatalities | 0 | 0 | | | |
| 8 | Fresh Water Resources | | | | | |
| 8.1 | Water Withdrawals - Consumptive (Billions of Liters/Net MWh) | 0.0000022 | 0.0000009 | | | |
| 8.2 | Water Withdrawals - Non-Consumptive (Billions of Liters/Net MWh) | 0.0000172 | 0.0000010 | | | |
| 9 | Waste Products | | | | | |
| 9.1 | Amount of Hazardous Waste Manifested for Disposal (Metric Tons) | 537 | 24.67 | | | |
| 9.2 | Percent of Coal Combustion Products Beneficially Used | 34 | 22.84 | | | |