

Environmental | Social | Governance



FirstEnergy[®]

This is a time of renewal and growth at FirstEnergy as we cultivate a more innovative, diverse and sustainable company centered on our Core Values. Inspired by open and ongoing dialogue with diverse stakeholders, we're not only conducting our business better, but also doing better for the world around us by improving our performance on a range of environmental, social and governance (ESG) matters. We're pleased to share our ESG achievements¹ with you.

Mission Statement

We are a forward-thinking electric utility centered on integrity, powered by a diverse team of employees committed to making customers' lives brighter, the environment better and our communities stronger.

Core Values



FirstEnergy's Core Values identify the beliefs and ideals that matter most to us. They guide the decisions we make and the actions we take every day, defining who we aspire to be.

Integrity

We always act ethically with honesty, humility and accountability.

Safety

We keep ourselves and others safe.

Diversity, Equity and Inclusion

We embrace differences, ensure every employee is treated fairly and create a culture where everyone feels they belong.

Performance Excellence

We pursue excellence and seek opportunities for growth, innovation and continuous improvement.

Stewardship

We positively impact our customers, communities and other stakeholders and strive to protect the environment.

Company Highlights

6_M

Customers
in Five States

10

Electric
Distribution
Companies

24_K

Transmission
Miles

65_K

Square Miles
of Service
Territory

12_K

Employees

\$45_B

Total Assets

1. Unless otherwise noted, highlights pertain to 2021.



Environmental

We strive to protect the environment by minimizing our impact, improving the sustainability of our operations, executing our Climate Strategy and finding opportunities to enhance the ecosystems we interact with.

GHG Reduction

30%

GHG REDUCTION BY 2030

Greenhouse Gas (GHG) Reduction Goal
Reduce our GHG emissions within our direct (Scope 1) operational control by 30% by 2030 (from 2019 baseline), as we work toward carbon neutrality by 2050

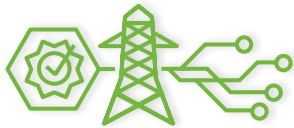
AND CARBON NEUTRAL BY 2050

Investing in the Clean Energy Transition

\$1.1B

TRANSMISSION INVESTMENTS

(2021)
Invested \$1.1B in innovation, new technology, and preparing for a future of renewable energy – including \$676 million focused on reliability improvements alone



\$1.7B

DISTRIBUTION INVESTMENTS

(2021)
Invested \$1.7B in enabling a smarter cleaner electric grid of the future and improving the customer experience

\$10B

SUSTAINABLE INVESTMENTS²

(2021-2025)
Supporting a more resilient electric grid with an emphasis on emerging technologies, grid modernization, electric vehicle (EV) infrastructure, upgrades to support incremental renewable generation and solutions to help customers manage their energy use



\$6.5B

CUSTOMER-CENTRIC GROWTH²

(2021-2025)
Supporting economic development, vegetation management in WV and base reliability investments

Our Climate Strategy in Action²

SOLAR GENERATION

50_{MW}

Pursuing 50MW blocks of solar capacity in West Virginia

ELECTRIC & HYBRID VEHICLE FLEET



Electrifying our light-duty and aerial truck fleet by purchasing 100% electric or hybrid vehicles moving forward



SMART LEDs

Converting 100% of streetlights owned by our operating companies to smart LEDs by 2030³



SMART METERS

Installing smart meters for two-thirds of our customers by 2025

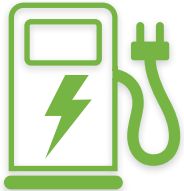
1. Unless otherwise noted, highlights pertain to 2021.
2. Includes capital-like investments that earn a return
3. Subject to future regulatory approvals



Environmental

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Our Climate Strategy in Action² (continued)



Developing EV infrastructure through the ongoing EV Charging Station pilot in Maryland – where we've installed 17 level 2 chargers and 6 direct current fast chargers – and in New Jersey (program pending)

EV Charging Stations

66K CUSTOMER RETAIL Interconnection Projects



Facilitated more than 66,000 customer retail interconnection projects (through 2021), supporting our customers' right to safely use distributed energy resources that allow for the use of low- and zero-carbon generation

Environmental Stewardship



Recycled 23,000 appliances through our energy efficiency programs that otherwise might have been landfilled



Beneficially reused or recycled 608 tons of wood poles as part of our Wood Pole Diversion Program



TRANSMISSION RIGHTS-OF-WAY MANAGEMENT

Recognized as a fully accredited ROW Steward for excellence and leadership in managing vegetation along transmission rights-of-ways (ROW Stewardship Council, 2021)



14K PLANTED TREES

Green Teams dedicated over 2,000 hours and surpassed their companywide goal by 40%.

100 ACRES of POLLINATOR HABITATS

Created nearly 100 acres of biodiverse pollinator habitats from 2020-2021, making significant progress towards our goal of 225 acres across our service territory by 2025



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2. Includes capital-like investments that earn a return



Social

We support the development of an inclusive, equitable, rewarding and safe workplace while empowering our diverse and innovative team to make our customers' lives brighter and our communities stronger.

DEI Goals



Diverse Workforce

Targeting a 30% increase in racially and ethnically diverse employees and leaders by 2025

Diverse Supply Chain

Targeting 20% supply chain spend with diverse suppliers by 2025



Better Reflecting the Communities We Serve

Diverse Leadership

Increased the number of diverse candidates on manager-and-above succession plans and welcomed five racially and ethnically diverse new hires at the vice president level

Power Systems Institute

Hired 189 new graduates from FirstEnergy's award-winning Power Systems Institute, helping strengthen our diverse workforce pipeline

Cultivating a Diverse and Inclusive Workplace

Connecting Employees

Expanded Employee Business Resource Groups to include more than 2,600 members and 19 chapters, hosting over 140 learning and connection events



Speaking Up

Engaged 1,700+ employees in Speak-Up sessions about allyship and microaggressions

Leadership Training

Trained approximately 1,800 leaders through "Bold & Inclusive Conversations"

Transforming Our Company and Communities

Workplace Equality

Included in the Bloomberg Gender-Equality Index for the fourth consecutive year for our investment in gender equality in the workplace and communities we serve

Supplier Diversity

Earned the Women's Business Enterprise Center-East "Regional Council Member Done Deals" award in recognition of our investment in supplier diversity and women-owned businesses

Keeping Ourselves and Others Safe



Striving to reduce employees' exposure to potentially Life-Changing Events (LCEs) in the workplace

**Experienced
Zero LCEs
Companywide**

STOP.LOOK.LIVE.

Expanded our STOP.LOOK.LIVE. public safety campaign



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Social

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Community-Centered

Giving Back to Our Communities

2.4M
MEALS

Raised over \$338,000, including a bonus matching gift from the FirstEnergy Foundation of \$100,000, and collected 8,700 pounds of food to donate the equivalent of almost 2.4 million meals to local foodbanks



25K HOURS
VOLUNTEERING

Employees donated over 25,000 hours of volunteer time, virtually or in person, to safely support our communities

**Boosting
Economic
Development**

21,820
NEW JOBS

Helped attract 21,820 new jobs and \$5.4 billion in third-party corporate facility investment in 2021

Customer-Focused

Helping Customers Make Informed Decisions About Their Energy Use

\$15M LOW-INCOME
SERVICES

Provided approximately \$15 million in low-income energy efficiency services to qualifying customers

390,000 MWh
of Saved ELECTRICITY

Helped over 1 million residential customers save more than 390,000 MWh of electricity – about one year's pollution from 56,000 cars

Delivering a Modern and Superior Customer Experience

Investing in technologies to increase self-service options to enhance and streamline the customer experience



Customer-Driven Reliability Improvements

Achieved measurable performance improvements as a result of our infrastructure investments including a 38% reduction through 2021 in transmission-related distribution outages on our ATSI transmission system, which serves our three utility companies in Ohio and our Penn Power utility in western Pennsylvania



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Governance

We continue to maintain oversight and strengthen risk management; build a strong, centralized corporate compliance program and culture of ethics and integrity; continue stakeholder engagement efforts and provide consistent, transparent disclosures on ESG topics.

Culture of Compliance, Ethics and Integrity



Refreshed our Core Values to reflect Diversity, **Equity** and Inclusion, ensuring that we are cultivating fair and equitable processes within our workplace

Updated our Mission Statement to include **Integrity**, ensuring we always act ethically with honesty, humility and accountability



Enhanced board oversight and governance by appointing five new independent directors in 2021

BEST-IN-CLASS **Ethics** & the POWER of **Integrity**

Strengthened leadership by hiring experienced leaders with unwavering commitment to integrity

Introduced our new Code of Conduct, *The Power of Integrity*, which demonstrates our commitment to building a best-in-class ethics, integrity and accountability culture at every level of the organization

Fostering a leadership-driven positive and inclusive work environment where all employees feel engaged and inspired to speak up and empowered to always do the right thing



Engaging employees through regular communications to reinforce that integrity, like safety, is core to everything we do

ESG Transparency and Accountability

CR WEBSITE



Refreshed our Corporate Responsibility website to ensure information about the company's ESG performance remains current and relevant, and aligns to our ESG priorities and corporate strategy

SETTING THE TREND

Designated as a 2021 "trendsetter" for transparency in our political disclosures by the CPA-Zicklin Index of Corporate Political Disclosure and Accountability

MOVING UP



Our 2021 ESG efforts prompted Sustainalytics to move us into their medium-risk bracket – our company's first time out of the agency's high-risk bracket



Materiality ASSESSMENT

Refreshed our ESG materiality assessment as part of our ongoing commitment to corporate responsibility

Political TRANSPARENCY



POLICIES & PRACTICES PUBLISHED

Published our Political and Public Engagement Policy and Public Engagement Practice to ensure closer alignment to our strategic goals, and more robust oversight and disclosure of the company's advocacy



Publishing a quarterly Corporate Engagement Report that assesses alignment between the 501(c)(4) and 501(c)(6) trade organizations we support and our climate position and strategy – including our pledge to achieve carbon neutrality by 2050 and our support for the intent of the Paris Agreement

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Forward-Looking Statements: This [•] includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 based on information currently available to management. Such statements are subject to certain risks and uncertainties and readers are cautioned not to place undue reliance on these forward-looking statements. These statements include declarations regarding management’s intents, beliefs and current expectations. These statements typically contain, but are not limited to, the terms “anticipate,” “potential,” “expect,” “forecast,” “target,” “will,” “intend,” “believe,” “project,” “estimate,” “plan” and similar words. Forward-looking statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, which may include the following the potential liabilities, increased costs and unanticipated developments resulting from government investigations and agreements, including those associated with compliance with or failure to comply with the Deferred Prosecution Agreement with the U.S. Attorney’s Office for the Southern District of Ohio; the risks and uncertainties associated with government investigations and audits regarding Ohio House Bill 6, as passed by Ohio’s 133rd General Assembly (“HB 6”) and related matters, including potential adverse impacts on federal or state regulatory matters, including, but not limited to, matters relating to rates; the risks and uncertainties associated with litigation, arbitration, mediation, and similar proceedings, particularly regarding HB 6 related matters, including risks associated with obtaining court approval of the definitive settlement agreement in the derivative shareholder lawsuits; weather conditions, such as temperature variations and severe weather conditions, or other natural disasters affecting future operating results and associated regulatory actions or outcomes in response to such conditions; legislative and regulatory developments, including, but not limited to, matters related to rates, compliance and enforcement activity, cybersecurity, and climate change; the ability to accomplish or realize anticipated benefits from our FE Forward initiative and our other strategic and financial goals, including, but not limited to, overcoming current uncertainties and challenges associated with the ongoing government investigations, executing our transmission and distribution investment plans, greenhouse gas reduction goals, controlling costs, improving our credit metrics, growing earnings, strengthening our balance sheet, and satisfying the conditions necessary to close the sale of the minority interest in FirstEnergy Transmission, LLC; the risks associated with cyber-attacks and other disruptions to our, or our vendors’, information technology system, which may compromise our operations, and data security breaches of sensitive data, intellectual property and proprietary or personally identifiable information; mitigating exposure for remedial activities associated with retired and formerly owned electric generation assets; the ability to access the public securities and other capital and credit markets in accordance with our financial plans, the cost of such capital and overall condition of the capital and credit markets affecting us, including the increasing number of financial institutions evaluating the impact of climate change on their investment decisions; the extent and duration of the COVID-19 pandemic and the related impacts to our business, operations and financial condition resulting from the outbreak of COVID-19 including, but not limited to, disruption of businesses in our territories, supply chain disruptions, additional costs, workforce impacts and governmental and regulatory responses to the pandemic, such as moratoriums on utility disconnections and workforce vaccination mandates; actions that may be taken by credit rating agencies that could negatively affect either our access to or terms of financing or our financial condition and liquidity; changes in assumptions regarding factors such as economic conditions within our territories, the reliability of our transmission and distribution system, or the availability of capital or other resources supporting identified transmission and distribution investment opportunities; changes in customers’ demand for power, including, but not limited to, economic conditions, the impact of climate change, or energy efficiency and peak demand reduction mandates; changes in national and regional economic conditions, including recession and inflationary pressure, affecting us and/or our customers and those vendors with which we do business; the potential of non-compliance with debt covenants in our credit facilities; the ability to comply with applicable reliability standards and energy efficiency and peak demand reduction mandates; changes to environmental laws and regulations, including, but not limited to, those related to climate change; changing market conditions affecting the measurement of certain liabilities and the value of assets held in our pension trusts, or causing us to make contributions sooner, or in amounts that are larger, than currently anticipated; labor disruptions by our unionized workforce; changes to significant accounting policies; any changes in tax laws or regulations, or adverse tax audit results or rulings; the risks and other factors discussed from time to time in our Securities and Exchange Commission (“SEC”) filings. Dividends declared from time to time on FirstEnergy Corp.’s common stock during any period may in the aggregate vary from prior periods due to circumstances considered by FirstEnergy Corp.’s Board of Directors at the time of the actual declarations. A security rating is not a recommendation to buy or hold securities and is subject to revision or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating.

These forward-looking statements are also qualified by, and should be read together with, the risk factors included in FirstEnergy Corp.’s filings with the SEC, including, but not limited to, the most recent Annual Report on Form 10-K and any subsequent Current Reports on Form 8-K. The foregoing review of factors also should not be construed as exhaustive. New factors emerge from time to time, and it is not possible for management to predict all such factors, nor assess the impact of any such factor on FirstEnergy Corp.’s business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statements. FirstEnergy Corp. expressly disclaims any obligation to update or revise, except as required by law, any forward-looking statements contained herein or in the information incorporated by reference as a result of new information, future events or otherwise.

