



25 YEARS of
Lighting the Way

Annual FactBook

Published February 13, 2023

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25 YEARS
of Lighting
the Way

Unless otherwise noted, all numbers are as of December 31, 2022

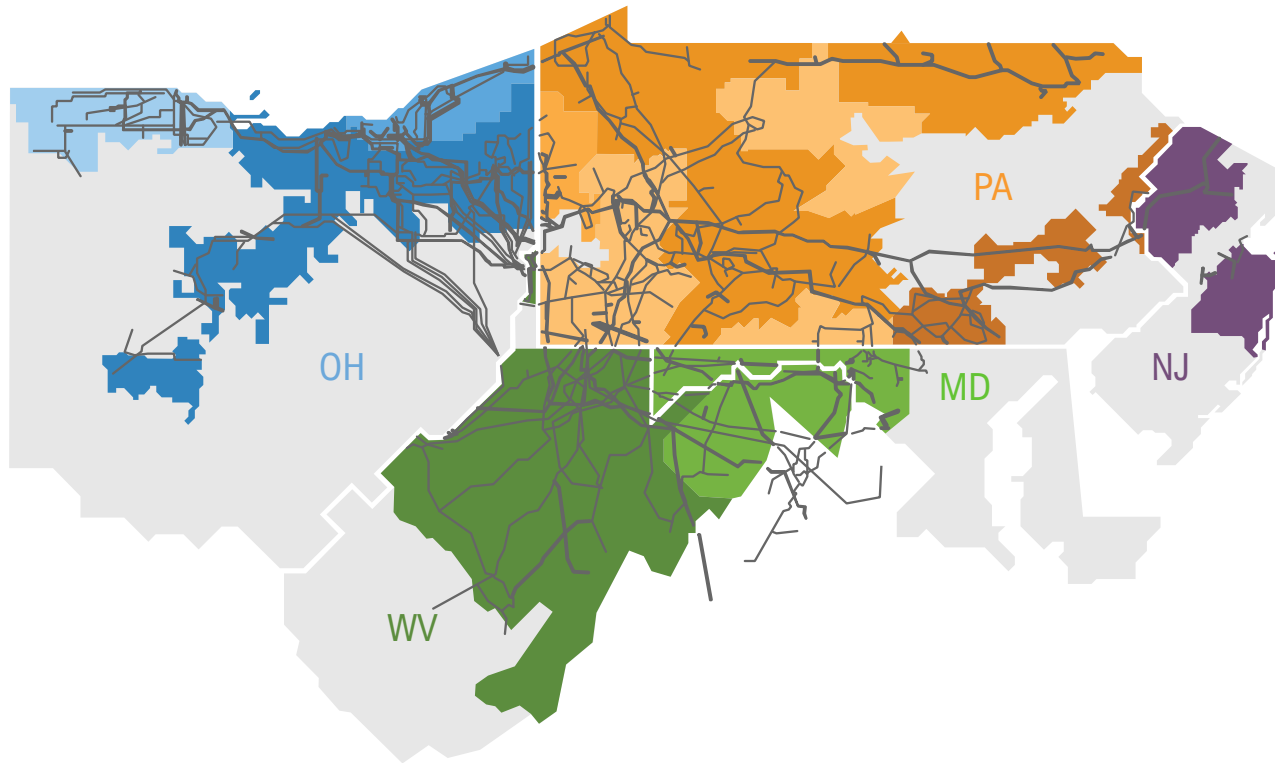


25
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FirstEnergy Overview

FirstEnergy Overview

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



\$46B Total Assets

6M+ Total Customers

24k Transmission Miles

65k Square Miles of Service Territory

\$26B 2022A Rate Base

12k Employees

Moving FirstEnergy Forward: Our Value Proposition

A Strong Foundation

- Targeting 6-8% long-term annual operating EPS⁽¹⁾ growth with a competitive dividend
- ~\$18B in investments (2021-2025) targeting 75%+ formula rate recovery and rate base growth accelerating to ~7%
- Focused on growing Cash from Operations consistent with earnings and targeting investment-grade credit ratings
- All electric T&D regulated utility with geographic and regulatory diversity serving 6M+ customers
- Building a diverse workforce with a world-class compliance function and a culture centered on integrity

A Customer-Centered Focus

- Focusing on customer satisfaction, reliability, affordability and a modernized customer experience
- Advocating for accelerated electrification to reduce total energy bills and support clean energy goals
- Offering sustainable products and solutions such as energy efficiency programs to help customers optimize usage
- Proven track record of safety and operational excellence

Enabling the Energy Transition

- Pledge to achieve carbon neutrality by 2050; 30% reduction by 2030 (from 2019 baseline)
- Significant Long-Term infrastructure investment opportunities: electrification, renewables, grid reliability, and resiliency
- Driving innovation, continuous improvement and performance excellence

Our Strategy to Transform FirstEnergy into a Premium Utility



A Strong Foundation:

Built by passionate and engaged employees

- A culture of ethics and integrity: a trusted partner to our stakeholders
- A safe workplace: where all employees take responsibility for safety and well-being
- A diverse, equitable, and inclusive work environment: empowering all employees
- A focus on accountability to stakeholders: driving performance excellence
- A commitment to stewardship: valuing our customers, communities and the environment



A Customer-Centered Focus:

Exceeding expectations through modern experiences, electrification and affordable energy bills

- Technology and digital upgrades to enhance the customer experience, expand communication channels and improve satisfaction
- Sustainable products, solutions and tools to fulfill our customers' energy needs
- New programs focused on emerging technologies to drive electrification
- Value driven investments and operational excellence to lower total energy bills and to assist our underserved customers














Enabling the Energy Transition:

Strategic investments for a clean, reliable, resilient and secure grid

- Customer-focused investments that support a secure electric grid, reduce service interruptions and enable electrification and other clean energy trends
- Transmission investments that embrace innovation and technology to support grid reliability, resiliency and carbon neutrality goals
- Distribution investments to build the grid of the future and leverage advanced metering infrastructure and grid modernization projects that automate and optimize our system

Integrated EESG throughout FirstEnergy's strategy

Key Regulatory Proceedings by Jurisdiction (2021-2025)

		2021	2022	2023	2024	2025
Ohio						
	Ohio Settlement, approved 12/1/2021 ⁽¹⁾					
	HB6-Related Proceedings ⁽²⁾					
	Grid Modernization II					
Pennsylvania						
	Electric Security Plan V (ESP V)					
	Base Rate Case					
	Management Audit					
New Jersey						
	Consolidation of 4 PA utility operating companies					
	Long-Term Infrastructure Improvement Plans (LTIIP) III					
	Base Rate Case					
West Virginia						
	Energy Efficiency Plan					
	AMI Plan					
	Light-Duty EV Charging Infrastructure Program					
Maryland						
	Management Audit					
	Medium-Heavy Duty EV Charging Program					
	Base Rate Case					
FERC						
	Investment Infrastructure Program (IIP)					
	Effluent Limitation Guidelines (ELG)					
	50 MW Utility Scale Solar					
Ohio						
	Annual Expanded Net Energy Cost (ENEC) Rate					
	Base Rate Case					
	Depreciation Case					
Pennsylvania						
	IRP Filing					
	Depreciation Case					
	Electric Distribution Investment (EDIS) Extension					
New Jersey						
	Commission Investigation into Ohio-related Activities					
	Base Rate Case					
	Energy Efficiency Plan					
West Virginia						
	JCP&L TX Formula Rate Case					
	FERC Audit					
	ATSI Deferred Cost Recovery					
Maryland						
	PE, MP, WPP/KATCo Formula Rate Cases					
	(Uncontested Settlement Filed January 18, 2023)					

Type of Proceeding (Font Color)	
Programs	
Audits	
Base Rate Cases	
HB6 Investigations	
Other Filings	
Timing of Proceeding (Box Color)	
Represents completed proceedings	
Represents active proceedings	
Represents planned proceedings	
Potential proceedings	

Timelines are subject to change based on regulatory process

(1) Addressed outcomes for ESP IV Quadrennial Review, SEET, EE Rider Audits

(2) Includes DCR Audit (vendor payments, naming rights and agreement disclosure review), Political and Charitable Spending, Corporate Separation Audit and DMR Review. Uncertainties regarding PUCO investigations could cause actual timing of completion to differ from the timeline above.

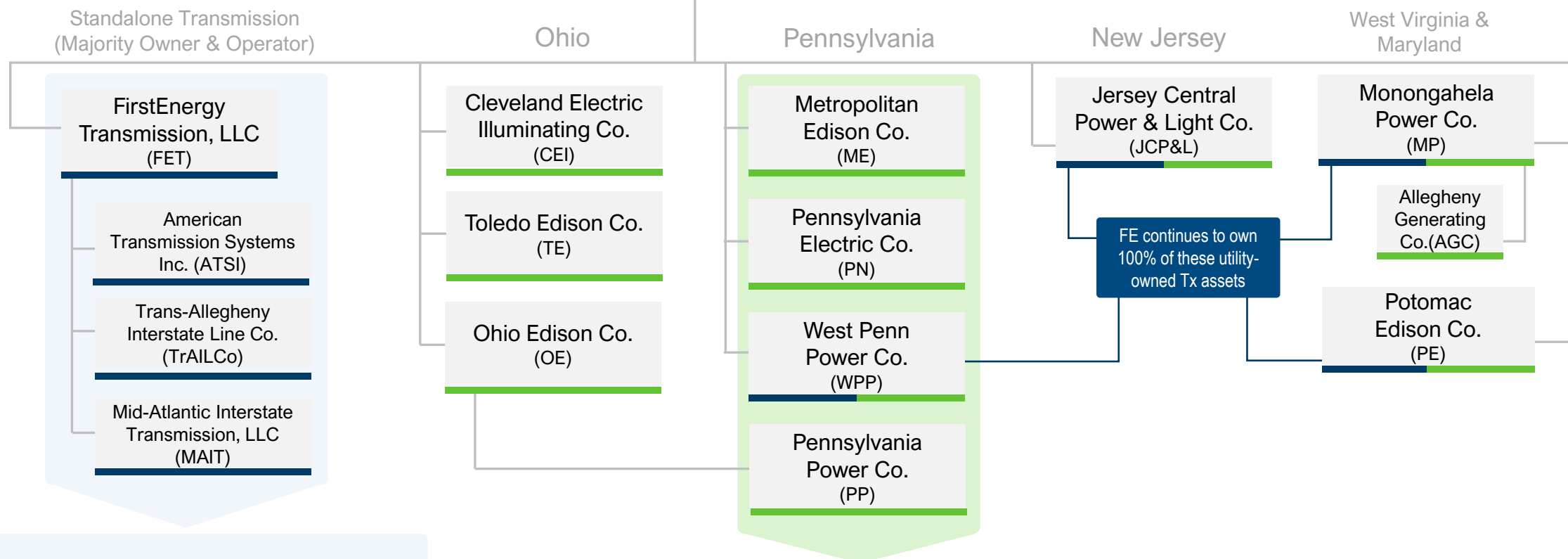
FirstEnergy Overview

Legal Entity & Segment Reporting Structure



Segment Reporting

- Regulated Transmission (FET, LLC and utility-owned Tx assets)
- Regulated Distribution (5-state operating model)



In May 2022, FE closed 19.9% minority interest sale to Brookfield Super-Core Infrastructure Partners (Brookfield). On February 2, 2023, FE announced an additional 30% ownership interest sale to Brookfield. See slide 26 for more details.

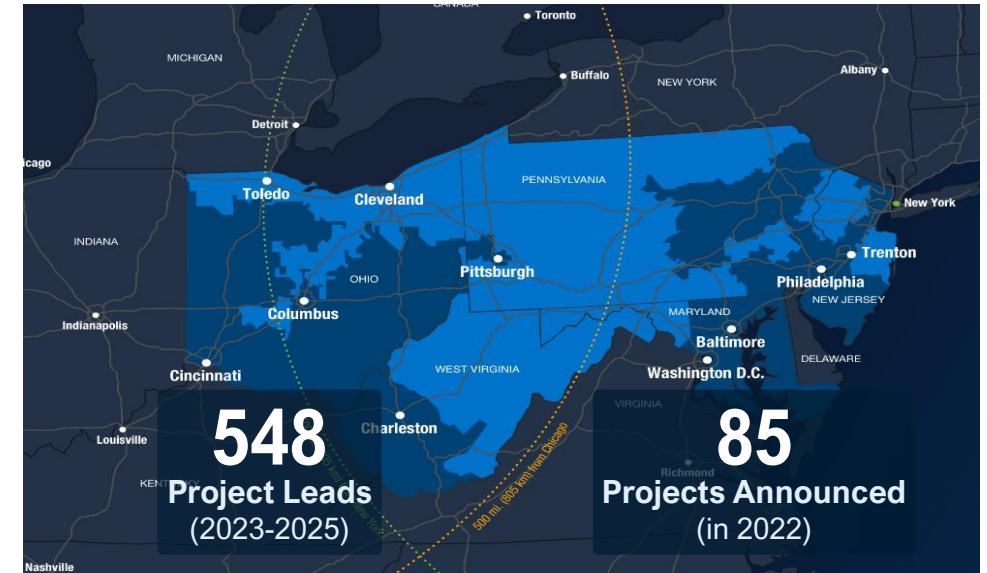
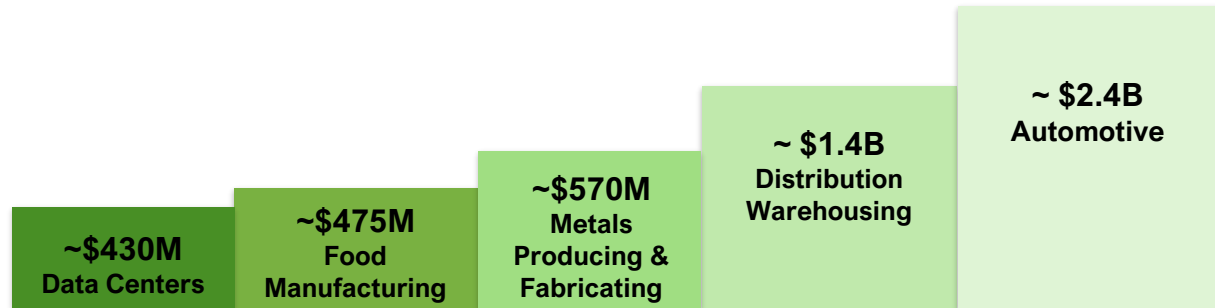
- Plan to file, in 1H 2023, for PAPUC approval of an intermediate parent company and a legal entity consolidation of our 4 PA utilities
- Over time, expect to transition PA utility rate structures into one set of rate tariffs

Economic Development Key to Strengthening Our Economic Base

Economic Development Strategy

- Preparing for Opportunities
- Building Relationships with economic development organizations, state agencies, real estate developers, and site selections consultants
- Monitoring Economic Conditions and on the forefront of trends
- Strong internal & external communications

2022 Projects Announced in FE Service Territory



“FE named as **one of the nation’s Leading Utilities in Economic Development**”

SITE
SELECTION
MAGAZINE

~22K New Jobs in 2021

~\$5.4B corporate facility investment in 2021

Our unique service territory is large and diverse. It is an attractive destination for businesses in a wide range of industries, with a combination of assets

FirstEnergy's core values encompass what matters most to us. They guide the decisions we make and the actions we take. Our core values should inspire our actions today and shine a light on who we aspire to be in the future.



INTEGRITY

We always act ethically with honesty, humility and accountability.

SAFETY

We keep ourselves and others safe.

STEWARDSHIP

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

PERFORMANCE EXCELLENCE

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

DIVERSITY, EQUITY & INCLUSION

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



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Financial Guidance

Financial Guidance Overview

LONG-TERM GUIDANCE

6-8% ⁽¹⁾

Long-Term Annual
Operating EPS Growth

~7%

Annual Rate Base Growth
in 2024 & 2025

~\$18B

Sustainable Investment
Plan 2021-2025

60-70%

Dividend Policy: Targeted
Payout Ratio

14-15%

FFO/Debt Target

NO EQUITY NEEDS⁽²⁾

SIP/DRIP programs up to
~\$100M/year

2023 GUIDANCE

\$2.44-\$2.64/SH

2023 Earnings
Guidance

~\$3.4B

2023 Investment Plan

⁽¹⁾ The amount and timing of items impacting comparability makes a detailed reconciliation of forward-looking non-GAAP financial measures impracticable. Please see slide 74 for more information.

⁽²⁾ No equity needs beyond previously announced \$3.5B transaction announced in 2023

Investment Plan Summary (2021-2025)



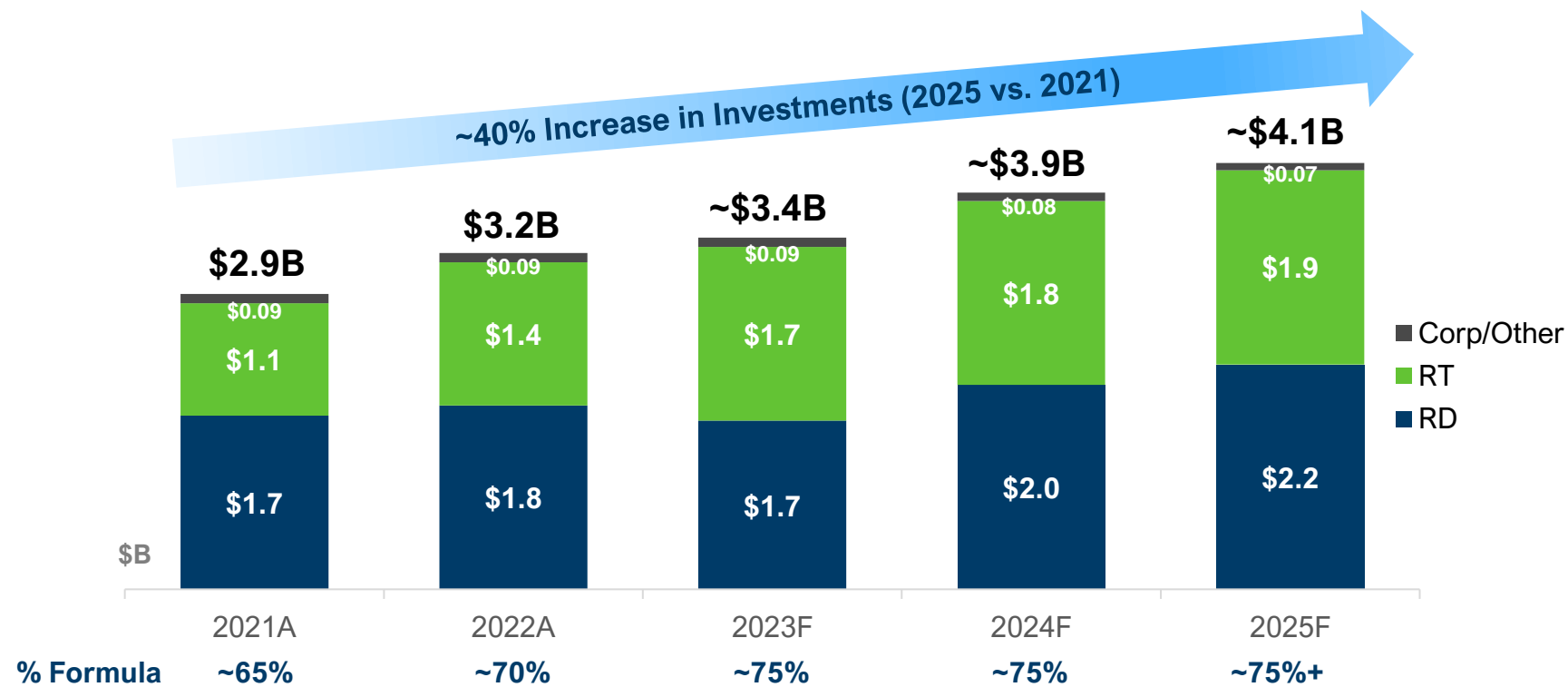
~\$18B investment plan to strengthen the grid and enable the energy transition



Plan includes increasing investments through 2025

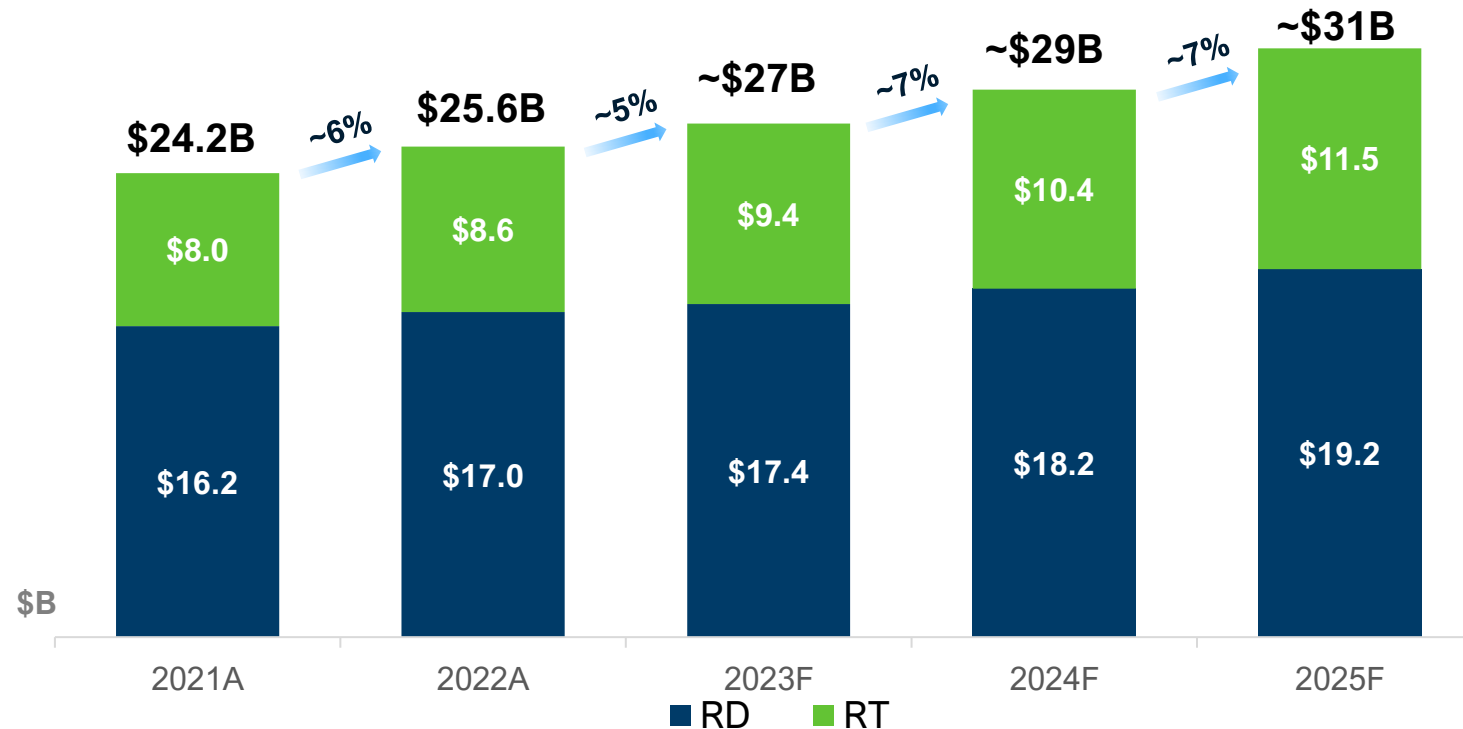



Increasing the percentage of formula rate investments; Targeting ~75%+ in 2025



Notes:
Includes capital-like investments that earn a return
Numbers rounded to nearest \$100M
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes

Rate Base Summary (2021-2025)



 Strong rate base growth driven by ~\$18B investment plan to strengthen the grid and enable the energy transition

 Average annual rate base growth increases to ~7% in 2024 and 2025

Notes:

Rate Base amounts exclude average CWIP balances of ~\$1B to ~\$2B per year that earn AFUDC. Maryland rate base includes CWIP

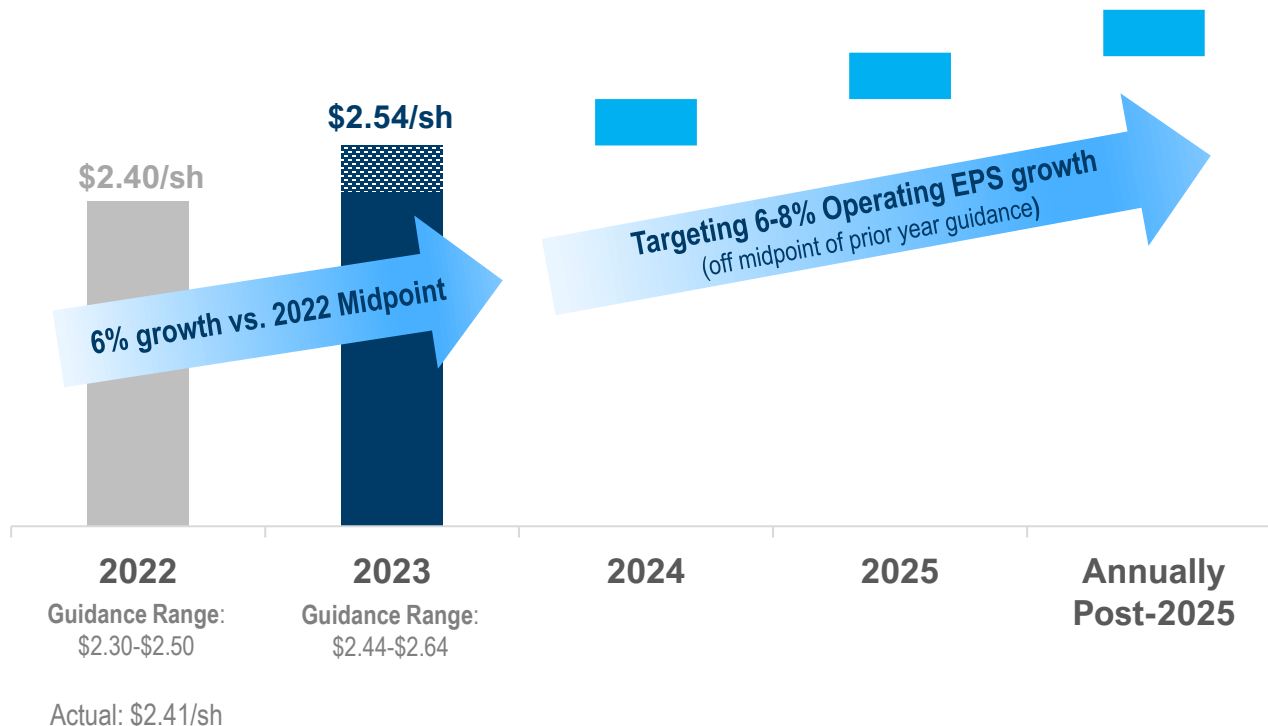
Includes capital-like investments that earn a return

We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes

Rate base amounts updated to reflect results of an independent third-party time study, completed in accordance with a FERC Audit Report recommendation, which resulted in reclassification of certain transmission capital assets to operating expenses

Targeting 6-8% Annual Operating EPS Growth⁽¹⁾

Long-Term Earnings Growth (Illustrative)



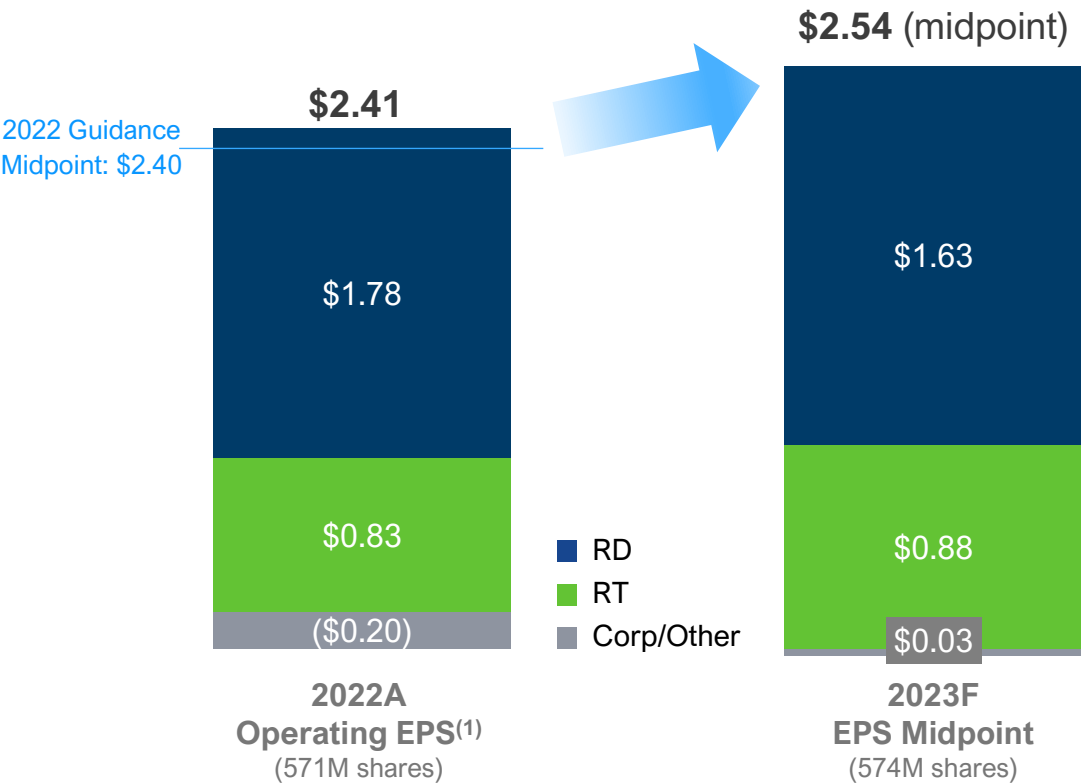
Key Drivers to consider over time

- Investments & new rates
- Optimized operating expenses
- Customer demand and load trends (economy, electrification, post-pandemic impacts)
- Pension (asset performance & interest rates)
- Signal Peak minority investment
- Economic factors (GDP, inflation, interest rates)

⁽¹⁾ The amount and timing of items impacting comparability makes a detailed reconciliation of forward-looking non-GAAP financial measures impracticable. Please see slide 74 for more information.

2023 Earnings Guidance: \$2.44 - \$2.64 per share

Expect 6% earnings growth in 2023 vs. midpoint of 2022 guidance



Segment Drivers			Segment Ranges
RD	RT	Corp	
-\$0.15	+\$0.05	+\$0.23	
+	+	+	Investments
			Customer Demand (Weather-adj load +\$0.06, Weather -\$0.06)
+		+	O&M
-		-	Pension/OPEB (RD: -\$0.29, Corp: -\$0.09)
-		+	Financing plan
		+	ETR / Other
	-		FET 19.9% Minority interest sale (-\$0.04, transaction closed 5/31/22)

Expect to address non-cash pension headwind through strategic actions taken to optimize 2023 O&M, benefits from ~\$3B of debt retirements, and Signal Peak earnings

Note: 2023F ETR: Consolidated 19-21%
2022A ETR: Consolidated 21% RD 21% RT 23%

⁽¹⁾ See Slides 71-72 for GAAP to Non-GAAP earnings reconciliation

Targeting 14-15% FFO/Debt and Solid BBB Credit Ratings



Expect FET 30% ownership interest sale* to provide path to 14%-15% FFO/Debt and a mid-BBB credit profile

* Expected to close in early 2024

We plan to remain flexible in order to optimize deployment of proceeds

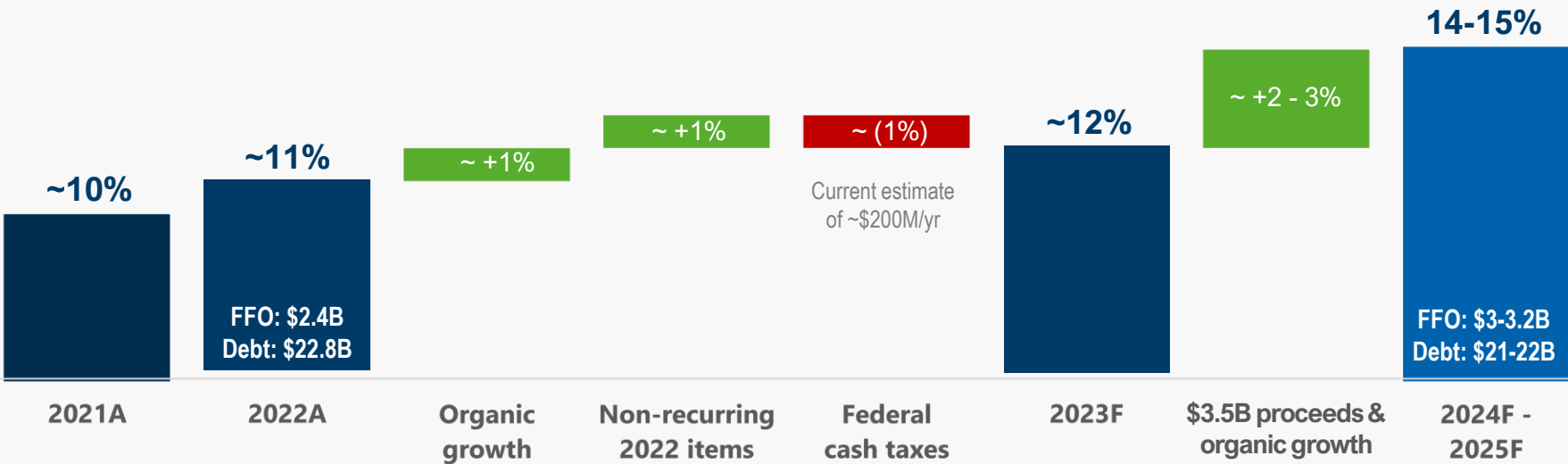
Key Financial Targets

- » 14-15% FFO/Debt
- » Mid-BBB credit ratings
- » 6-8% annual EPS growth
- » Dividend growth in line with policy

Use of proceeds may include:

- » Debt paydowns
- » Incremental investments in 2024-2025
- » Increased investments beyond 2025
- » Other options


2021-2025F FFO/Debt Improvement (Moody's View)




Notes:
Moody's methodology: This reflects proportional consolidation of FET to reflect ownership sold (19.9% in 2022, 49.9% in 2024-2025). Key adjustments include the removal of working capital changes from FFO and the addition of unfunded pension liability to debt.
2022 metric includes ~\$200M of non-recurring disbursements / refunds in 2022 that are not anticipated in the future (i.e. OH rate refund, PA Tax refund, investigation and other related costs). Absent these items, 2022F FFO/Debt would be 11.4%.

2021-2025 Financing Plan

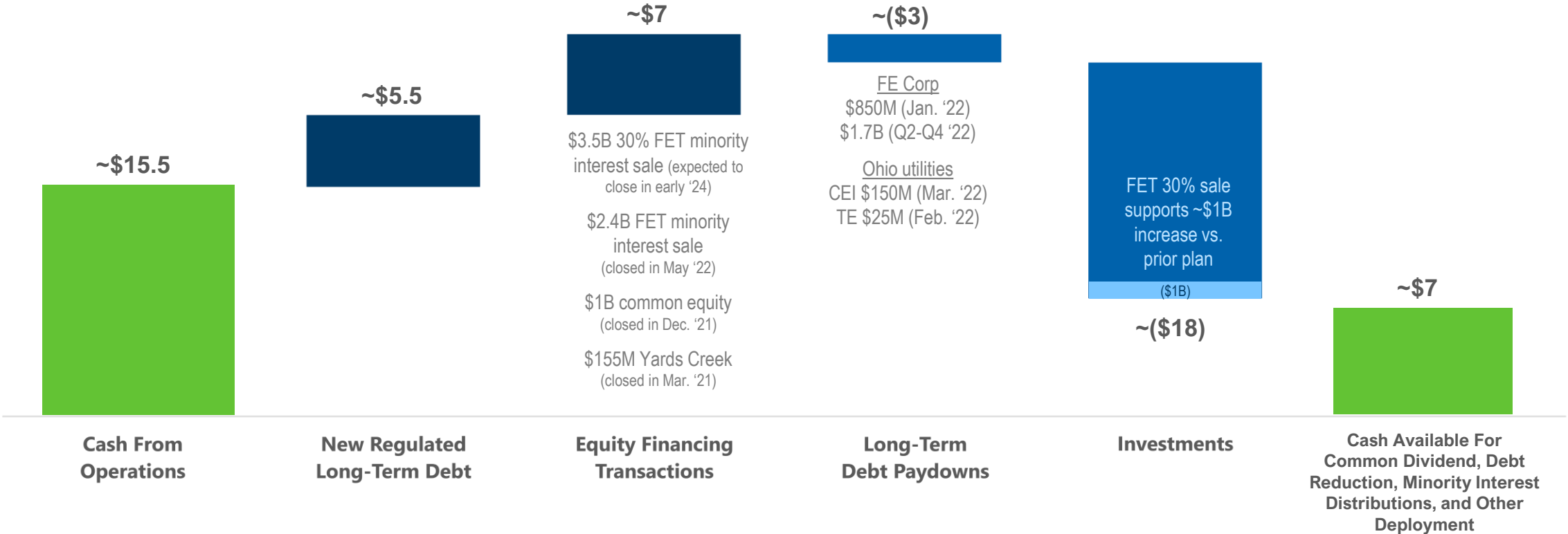
(\$B)



~30% of investments funded with debt; allows for improved utility capital structures and stronger credit profiles prior to more active rate proceedings



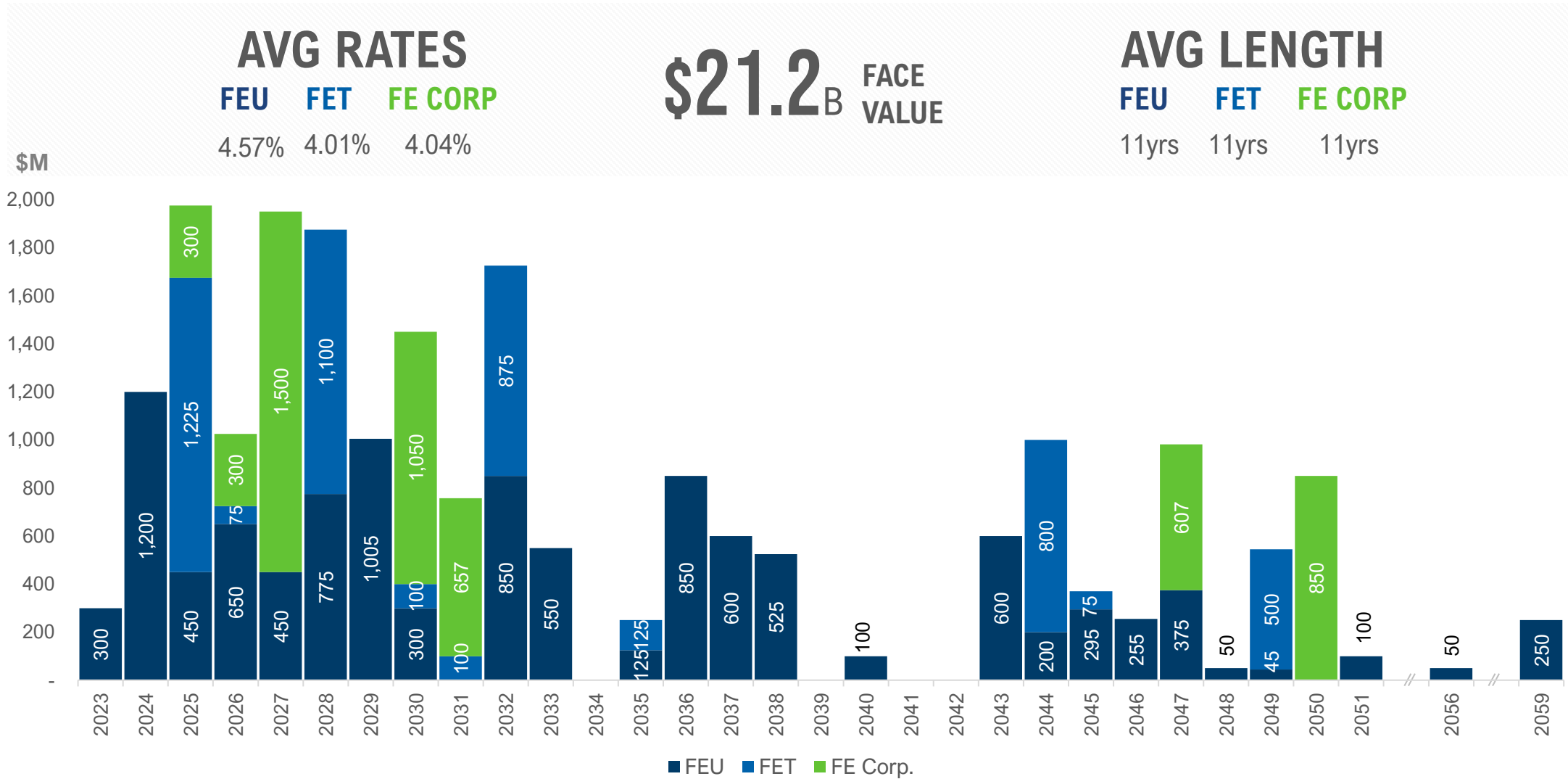
Equity financing transactions support an enhanced investment program, a stronger balance sheet, and an updated dividend policy



Note: Numbers rounded to the nearest \$500M for simplicity purposes

Consolidated Long-Term Debt Maturities

As of December 31, 2022



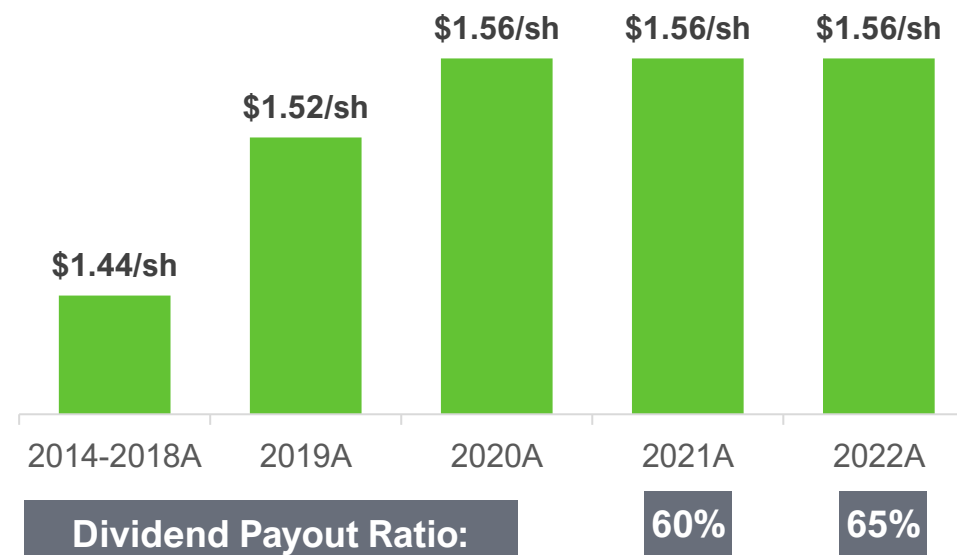
Excludes securitization bonds

Dividend Overview

DIVIDEND POLICY: 60-70% TARGETED PAYOUT RATIO

- Dividend yield of nearly ~4% (as of 2/10/2022)
- Sustained commitment to a strong dividend
- Increased payout ratio to 60-70%, from 55-65%, in February 2023
- Plan to resume dividend growth in late 2023

Annual Dividends Per Share



Dividend payments are subject to declaration by the Board of Directors, which will consider the risks and uncertainties of the government investigations, among other matters

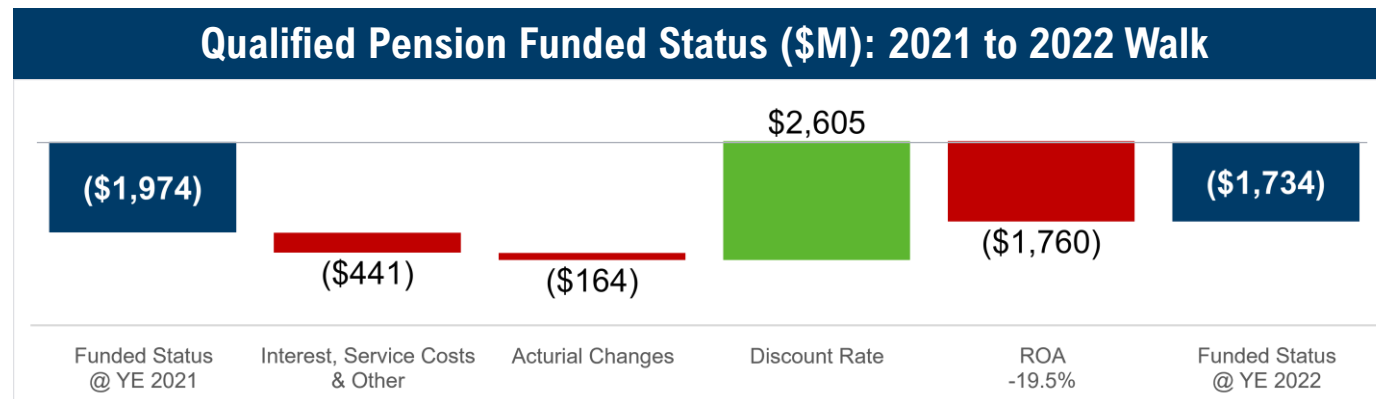
Pension/OPEB Overview

■ Pension Status is Open

- Plan design changed to Cash Balance formula for new hires beginning January 1, 2014
- Cash Balance formula participants represent ~38% of active employees and <1% of the plan's total liability

■ Qualified Pension funded status of 79%; \$240M improvement in 2022

Key Stats: Qualified Pension (as of 12/31/2022)	
Assets	\$6.7B
PBO	\$8.4B
Funded Status	79%
YTD ROA	-19.5%
Discount Rate (PBO)	5.23% (full yield curve)



■ FE currently does not expect any minimum required contributions to the pension plan through 2024

- Currently expect required contribution of \$250M in 2025 (subject to plan performance in 2023 and 2024)

■ Utilize MTM method for pension and OPEB accounting

- Preferred method of accounting under GAAP
- YE 2022 net gain of \$72M (pre-tax) included in GAAP results; excluded from operating (non-GAAP) results

Pension/OPEB Financial Impacts

2020-2023F

Income Statement Impacts

Pre-Tax \$M, except EPS	2020A	2021A	2022A	2023F
Service Cost (post-capitalization)	\$105	\$95	\$92	\$65
Interest Cost	302	237	284	460
EROA	(651)	(688)	(696)	(545)
Amort. of Prior Cost (Credit)	(34)	(14)	(9)	(5)
Net Periodic Benefit Costs (Credits) - Non-GAAP	(\$278)	(\$370)	(\$329)	(\$25)
Illustrative EPS Impact (Credit) - Non-GAAP	~(\$0.35)	~(\$0.45)	(\$0.41)	(\$0.03)
Mark-to-Market (Gain) / Loss	477	(382)	(72)	
One-Time Termination Benefits	8	-	-	
Net Periodic Benefit Costs (Credits) - GAAP	\$207	(\$752)	(\$401)	

Impacts of 2022 actual ROA vs. EROA and changes to the discount rate were trued up in the YE 2022 MTM and used to calculate the 2023 Net Cost (Credit)

Funded Status – Qualified Pension

\$B	2020A	2021A	2022A	2023F
PBO	\$11.5	\$11.0	\$8.4	\$8.4
Total Assets	\$9.0	\$9.0	\$6.7	\$6.6
Underfunded Amount	\$2.5	\$2.0	\$1.7	\$1.8
Funded Status	78%	82%	79%	78%





EROA	7.5%	7.5%	7.5%	8.0%
ROA	14.8%	7.6%	-19.5%	
Discount Rate (PBO)	2.7%	3.0%	5.2%	

Net liability improved by \$240M, however, pension funded status decreased to 79%

Notes:

Service cost capitalization rate of 50%, 51%, 53% and 53% in 2020-2023, respectively
2023F discount rate of 5.10% (weighted-average discount rate used to calculate interest cost)

2023F Guidance Sensitivities

	Sensitivity (+/-)	Full-Year Earnings Impact/share (+/-)
Sales		
Residential	1%	~\$0.03
 Commercial	1%	~\$0.01
Industrial	1%	< \$0.01
Weather		
 HDD	80 HDD vs. normal (Dec-Mar)	~\$0.01
CDD	26 CDD vs. normal (June-Sept)	~\$0.01
ROE		
Transmission:		
ATSI		~\$0.02
 MAIT	0.5%	~\$0.01
TrAILCo	(50 bps)	~\$0.01
JCP&L		~\$0.005
WPP, MP, and PE		~\$0.004
Distribution:		
 OH	1%	~\$0.03
PA		~\$0.05
NJ	(100 bps)	~\$0.03
WV		~\$0.03
MD		~\$0.01

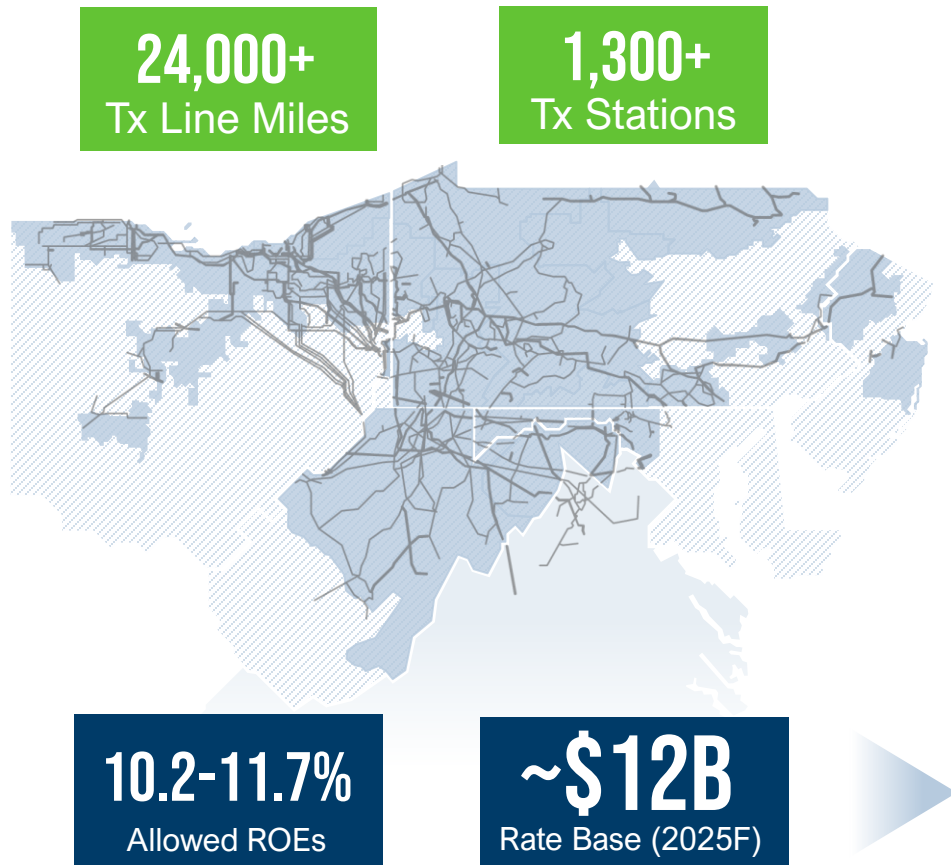


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Regulated Transmission: ***Energizing the Future***

A Premier Transmission Business

RT Segment Overview

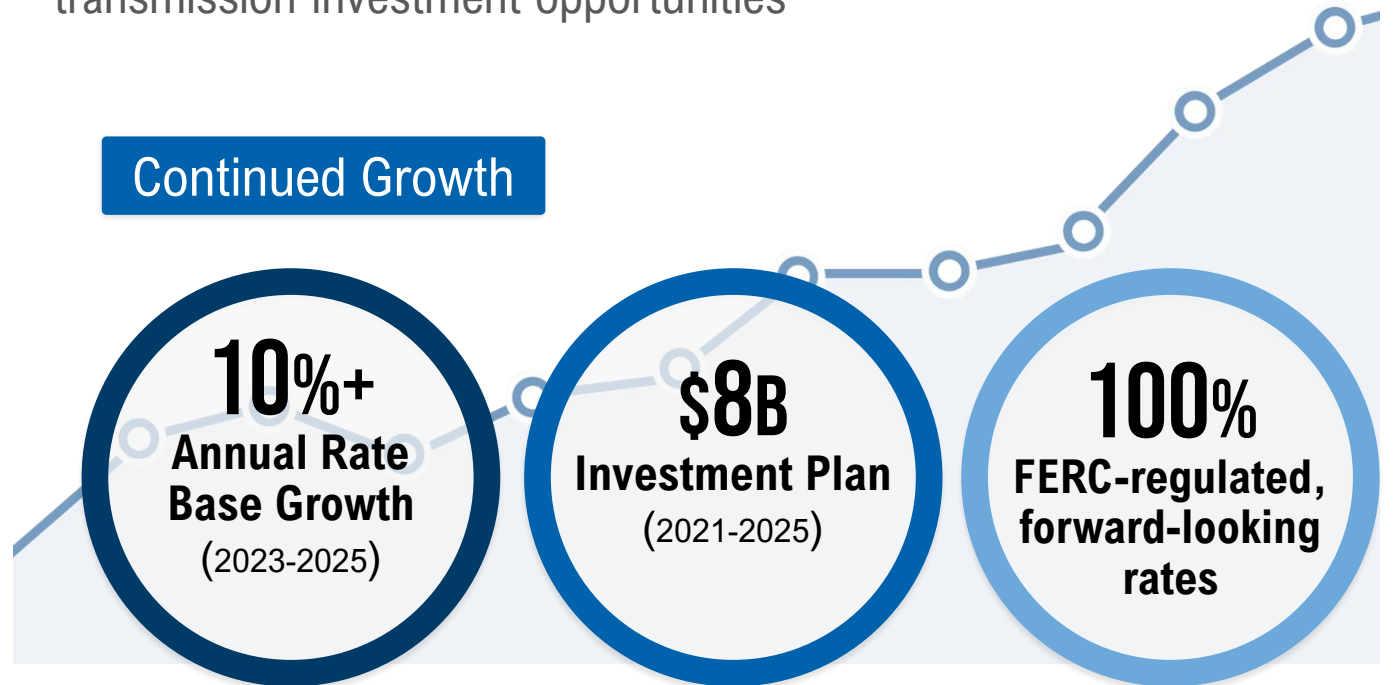


Energizing The Future

Focused on investments that improve **grid reliability**, **grid resiliency**, and support a **carbon neutral future**

A premium business with a continued long-term pipeline of transmission investment opportunities

Continued Growth



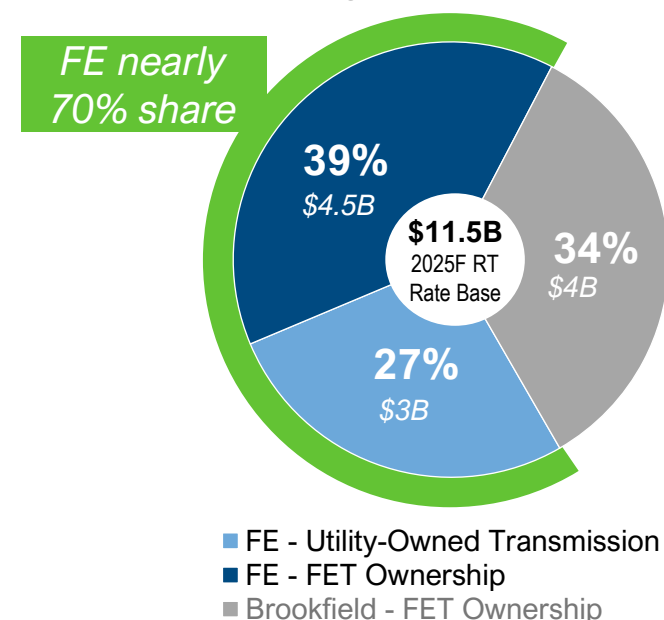
FE continues to own significant transmission assets post-transaction

Pro Forma FE owns nearly 70% of Regulated Transmission segment

- On February 2, 2023, FE announced an agreement to sell an additional 30% ownership interest in FirstEnergy Transmission, LLC (FET) for \$3.5B to Brookfield Super-Core Infrastructure Partners
 - \$1.75B due at closing and a \$1.75B vendor takeback note due within 18 months
 - FE will retain 50.1% ownership of FET with Brookfield to own 49.9% of FET
 - Expanded partnership with Brookfield, who previously purchased a 19.9% interest in FET (closed May 2022)
 - Represents ~39x LTM P/E valuation (or > 27x 2025F earnings); values FET at ~\$12B equity value and consistent with 19.9% FET sale
 - Significant premium to FE's public equity valuation; equivalent to issuing common equity at \$93 per share (based on 9/30/22 LTM P/E)
 - Targeting 1Q 2024 closing, subject to regulatory approvals
- FE will continue to own 100% of the remaining utility-owned transmission assets, which includes JCP&L and WP/MP/PE

Additional information on the transaction: [FET 30% Ownership Transaction \(announced February 2, 2023\)](#)

Pro Forma RT Segment Ownership Summary

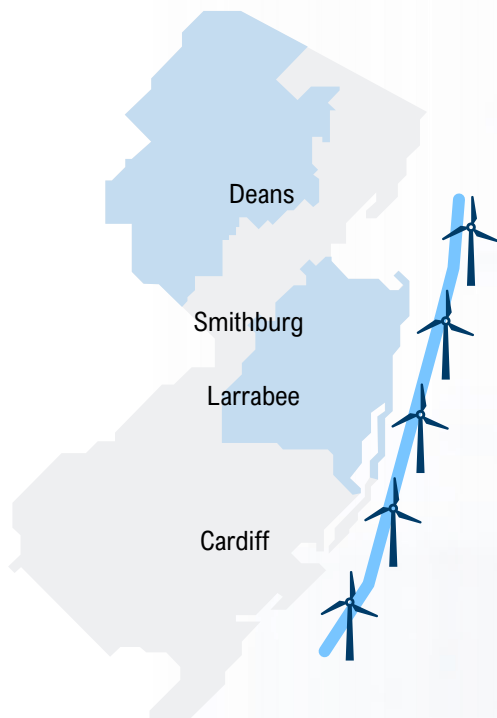


Note: Transactions exclude non-controlling equity interest in MAIT, which includes a fixed investment of \$0.5B in Rate Base

Enabling the Energy Transition – NJ Offshore Wind

New & Existing JCP&L Transmission Infrastructure to Connect NJ Offshore Wind

ENVIRONMENTAL AND COMMUNITY BENEFITS



- Helping NJ meet its initial clean energy goal of 7,500 MW of wind energy by 2035
- Supporting NJ's offshore 11GW wind energy goal for 2040
- Bringing electricity to the grid in a safe, reliable, and cost-effective manner for all customers & residents

\$723M INVESTMENTS

CLEAN ENERGY



Offshore Transmission Plan⁽¹⁾

- Selected from among 80 proposals submitted by 13 different transmission developers
- ~\$723M awarded to JCP&L to build new and upgrade existing transmission infrastructure
- Represents ~70% of the nearly \$1.1B project

Key Benefits:

- Scalability and the ability to meet the state's timelines
- Protects communities and the environment by utilizing existing rights of way
- Reduces environmental impacts and community disruption by using single transmission corridor to bring the electricity onshore



Next Steps

- Continue through PJM RTEP process
- Project construction expected to begin in 2025; targeted completion by 2030

⁽¹⁾ JCP&L's proposal was submitted in conjunction with offshore transmission developer Mid-Atlantic Offshore Development, LLC (MAOD), a new company owned by Shell New Energies US, LLC and EDF Renewables North America. Now that the project has been awarded, FirstEnergy has the option to acquire up to a 20% equity stake in MAOD with BPU approval.

Energizing The Future (ETF) through Transmission Investments

Our transmission investments are key to reliably integrating more renewables and distributed energy resources into our region's electric grid, enabling the carbon-neutral future



Continued Focus on Our Customers

Smart investments to modernize the grid and provide direct customer benefits

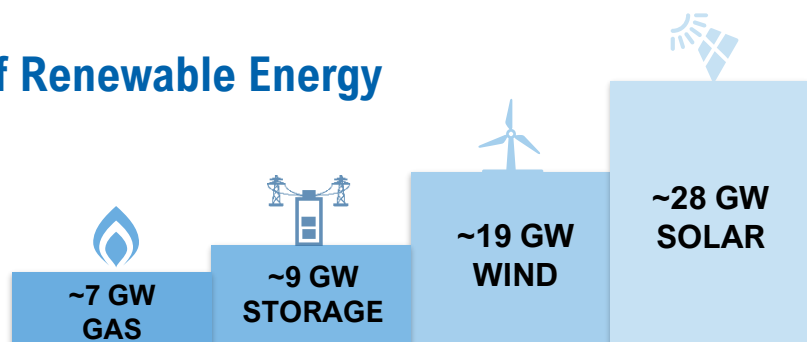


Enhancing the Grid with Innovative Technologies

Integrating digital technology and exploring real time technologies

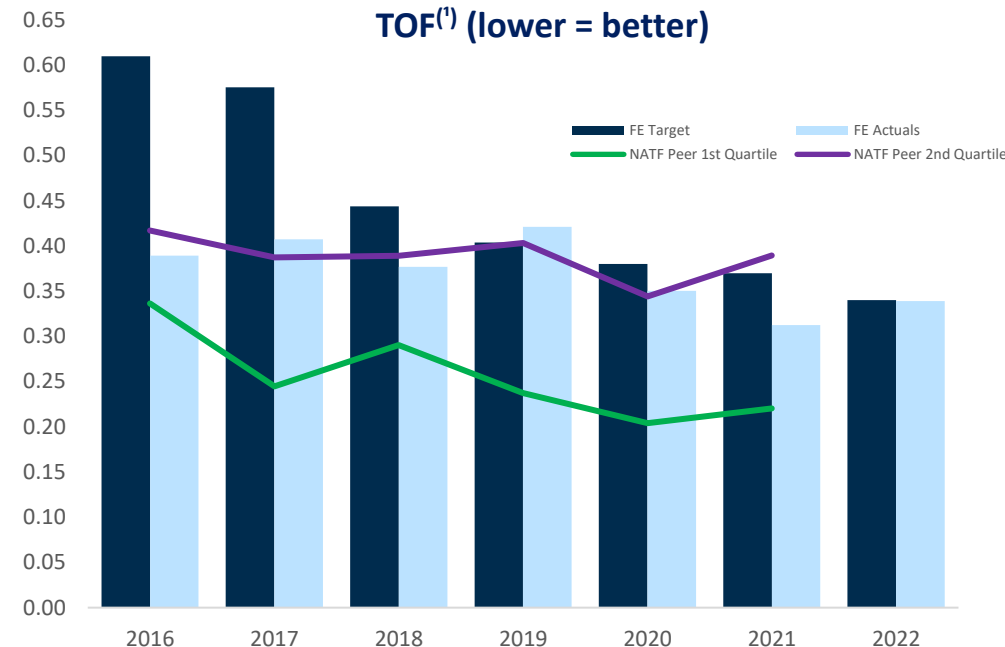


A Future of Renewable Energy



PJM Active connection requests
(FE territory only)

Transmission Reliability Performance TOF⁽¹⁾ (lower = better)



(1) Transmission Outage Frequency is measured for 100kV and above. 2022 NATF Performance Report results not yet available.

Transmission reliability continues to improve through ETF investments

2021-2025 RT Investment Support



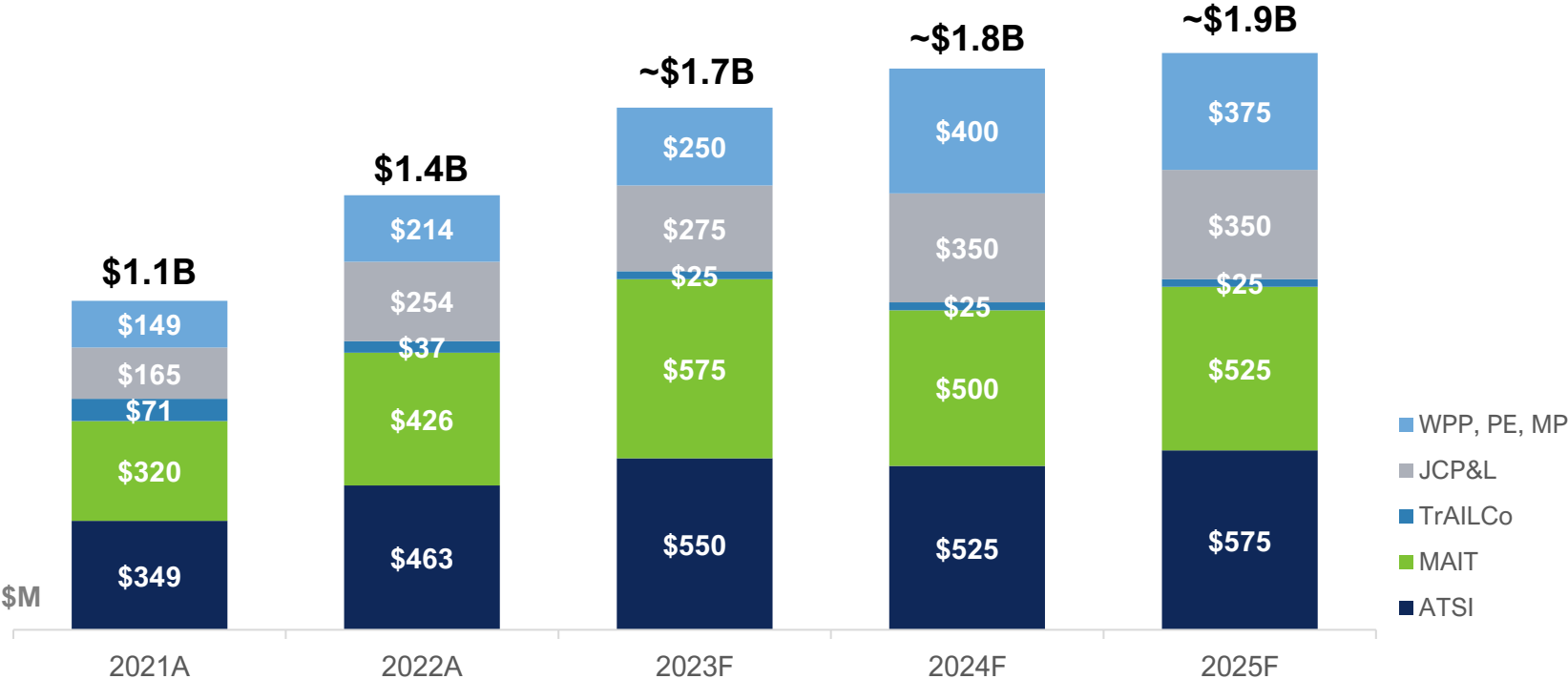
Increasing investments from \$1.1B in 2021 to ~\$1.9B in 2025



Sustainable investment plan through 100% formula rates

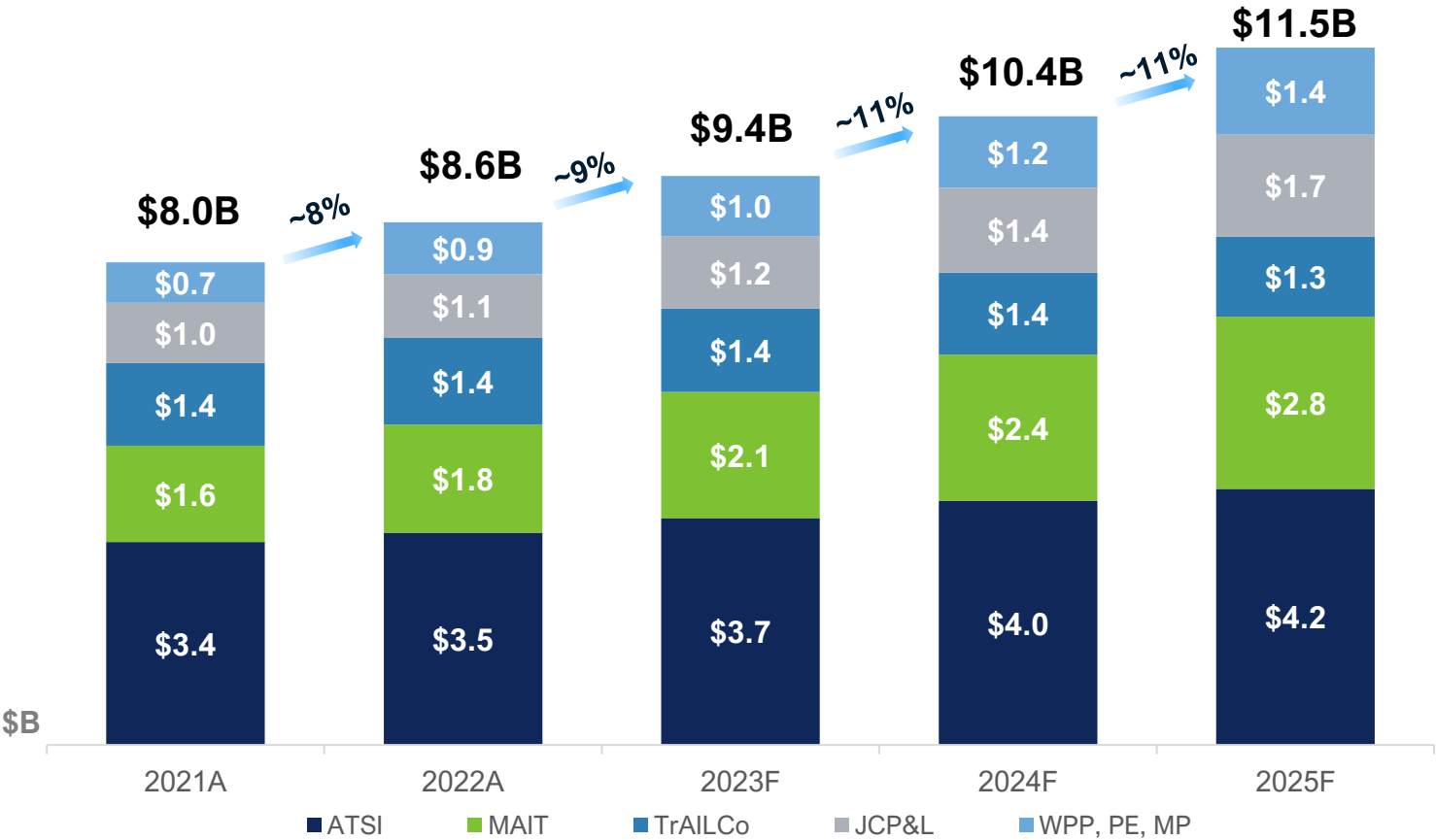



Investments in innovation, new technologies, and preparing for a future of renewable energy



Notes:
2023F-2025F rounded to nearest \$25M
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes

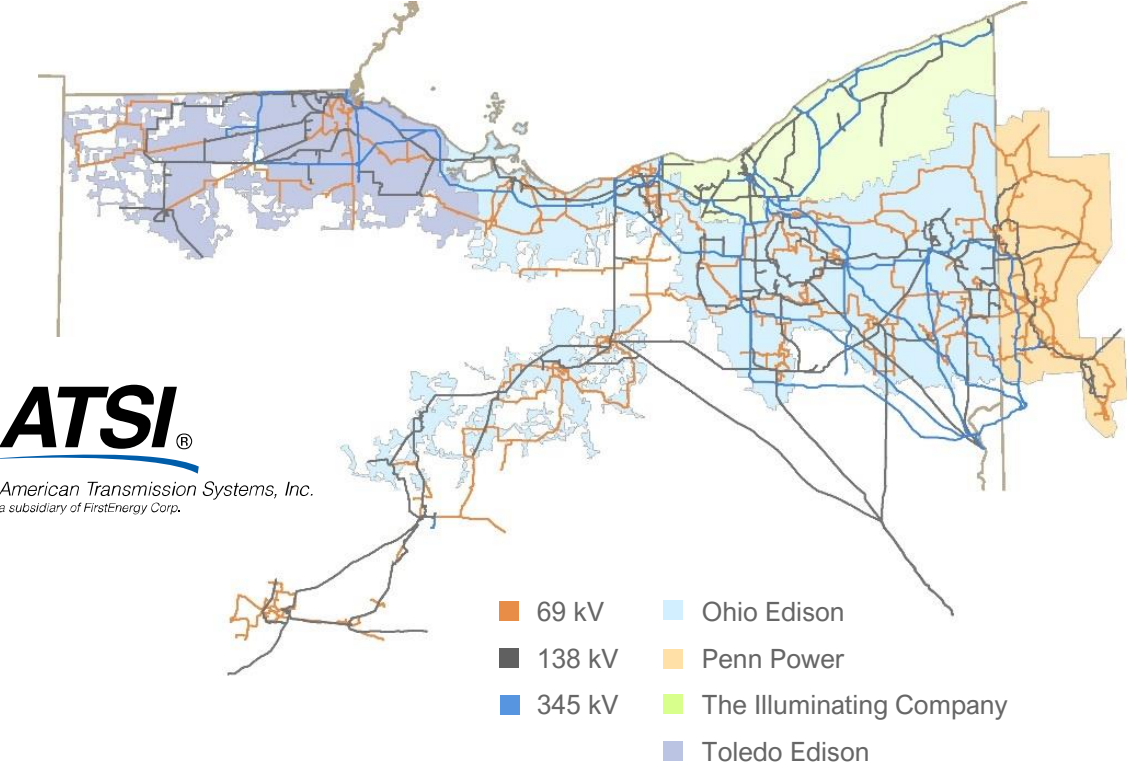
2021-2025 RT Rate Base Support



 Investments needed to prepare for the grid of the future, improve reliability and resiliency through 100% formula rates

Notes:
Rate Base amounts exclude average CWIP balances of ~\$0.5B to ~\$1.3B per year that earn AFUDC
2022A Rate base may change based on the 2022 Actual Transmission Revenue Requirement Filings
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes
Rate base amounts updated to reflect results of an independent third-party time study, completed in accordance with a FERC Audit Report recommendation, which resulted in reclassification of certain transmission capital assets to operating expenses

ATSI Overview



Jurisdiction	FERC
Test year	Forward-looking
Term	Calendar year
Filing month	October
True-up mechanism	Yes

10.38%	Allowed ROE (Settled)
\$3.7B ⁽¹⁾	2023 Rate Base (Avg. Annual)
40% / 60% ⁽¹⁾	Capital structure (Debt / Equity)

80.1%⁽²⁾ FE Ownership

⁽¹⁾ Represents projected average rate base and capital structure from ATSI's 2023 Projected Transmission Revenue Requirement filing for the period January 1, 2023 through December 31, 2023

⁽²⁾ On February 2, 2023, announced agreement to sell an additional 30% ownership interest in FET to Brookfield. Targeting transaction close in 1Q 2024.

MAIT Overview



- 46 kV
- 69 kV
- 115 kV
- 138 kV
- 230 kV
- 345 kV
- 500 kV
- Penelec
- Met-Ed

Jurisdiction	FERC
Test year	Forward-looking
Term	January- December
Filing month	October
True-up mechanism	Yes

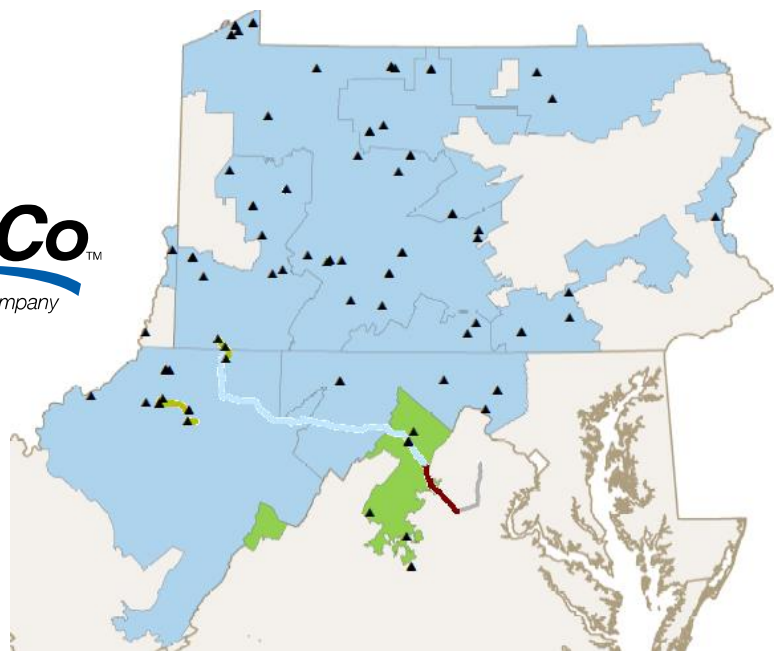
10.3%	Allowed ROE (Settled)
\$2.1B ⁽¹⁾	2023 Rate Base (Avg. Annual)
40% / 60% ⁽¹⁾	Capital structure (Debt / Equity)

80.1%⁽²⁾ FE Ownership

⁽¹⁾ Represents projected average rate base and capital structure from MAIT's 2023 Projected Transmission Revenue Requirement filing for the period January 1, 2023 through December 31, 2023

⁽²⁾ On February 2, 2023, announced agreement to sell an additional 30% ownership interest in FET to Brookfield. Targeting transaction close in 1Q 2024. Brookfield transactions exclude non-controlling equity interest in MAIT, which includes a fixed investment of \$0.5B in Rate Base.

TrAILCo Overview



- FirstEnergy Utility Service Area
- FirstEnergy VA Transmission Zone
- TrAIL 500 kV Line
- Substation
- FE TrAIL 50% Joint Ownership with Dominion Resources
- Dominion Resources Owned

Jurisdiction	FERC
Test year	Forward-looking
Term	June-Following May
Filing month	May
True-up mechanism	Yes

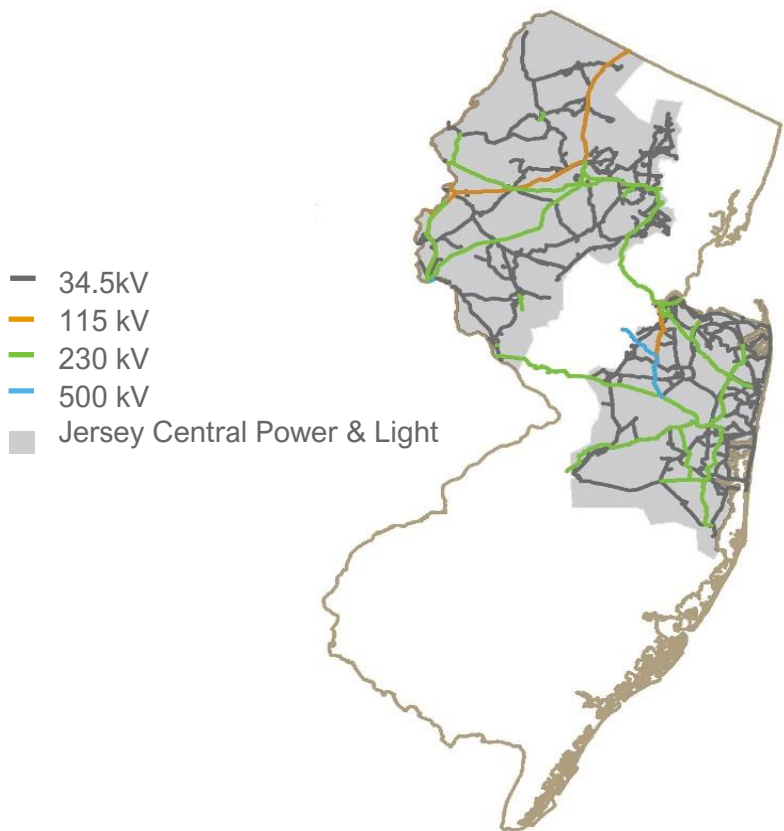
12.7% (TrAIL the Line & Black Oak SVC)	Allowed ROE (Settled)
11.7% (All other projects)	
\$1.4B ⁽¹⁾	2023 Rate Base (Avg. Annual)
40% / 60% ⁽¹⁾	Capital structure (Debt / Equity)

80.1%⁽²⁾ FE Ownership

⁽¹⁾ Represents projected average rate base and actual year-end cap structure from TrAILCo's 2022 Formula Rate Annual updated filing for the period June 1, 2022 through May 31, 2023; Rate base may change based on the Transmission Revenue Requirement Filing for 2022 actuals

⁽²⁾ On February 2, 2023, announced agreement to sell an additional 30% ownership interest in FET to Brookfield. Targeting transaction close in 1Q 2024.

JCP&L Transmission Overview



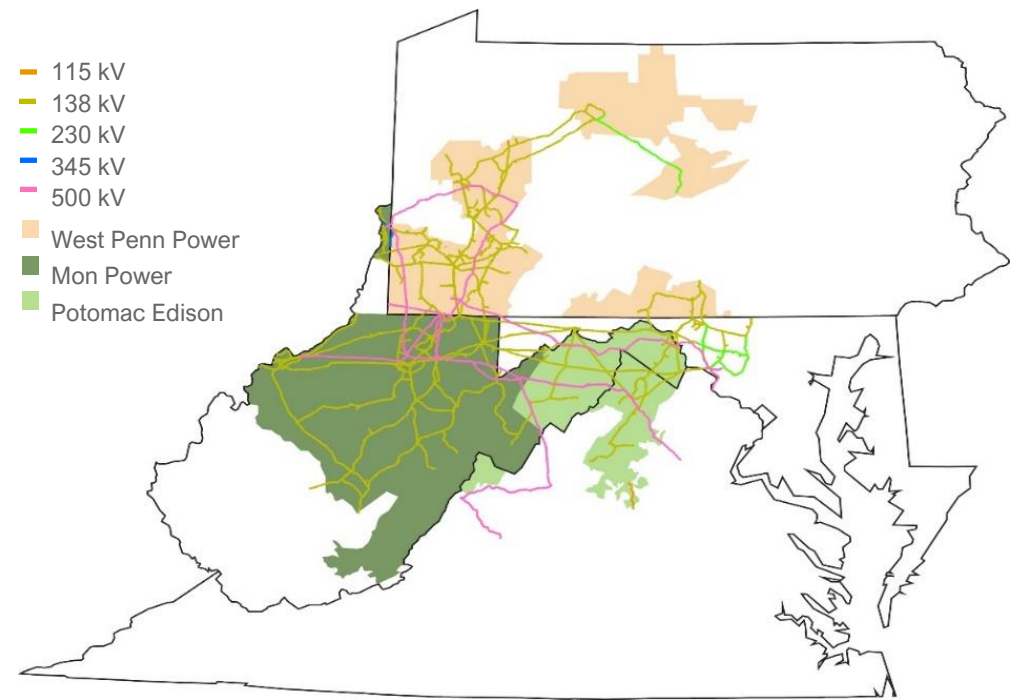
Jurisdiction	FERC
Test year	Forward-looking
Term	January- December
Filing month	October
True-up mechanism	Yes

10.2%	Allowed ROE (Settled)
\$1.2B ⁽¹⁾	2023 Rate Base (Avg. Annual)
48% / 52% ⁽¹⁾	Capital structure (Debt / Equity)

100% FE Ownership

⁽¹⁾ Represents projected average rate base and capital structure from JCP&L's 2023 Projected Transmission Revenue Requirement filing for the period January 1, 2023 through December 31, 2023

WPP, MP, & PE Transmission Overview



Jurisdiction	FERC
Test year	Forward-looking
Term	January- December
Filing month	October ¹
True-up mechanism	Yes ¹

As Filed

10.45% ⁽¹⁾	Allowed ROE (Settled)
\$1.0B ⁽²⁾	2023 Rate Base (Avg. Annual)
51% / 49% (MP) ⁽²⁾ 48% / 52% (PE) ⁽²⁾ 52% / 48% (WPP) ⁽²⁾	Capital structure (Debt / Equity)

- MP, PE and WP, and KATCo filed uncontested settlement agreements with FERC on January 18, 2023
- Keystone Appalachian Transmission Company (KATCo) created to accommodate new construction in this footprint
 - Intend to submit necessary filings to transfer certain existing transmission assets to KATCo

100% FE Ownership

⁽¹⁾ Represents uncontested settlement filed at FERC in the WPP, MP and PE (SFC) transmission formula rate case, pending FERC approval

⁽²⁾ Represents projected average rate base and capital structure from SFC's 2023 Projected Transmission Revenue Requirement filing for the period January 1, 2023 through December 31, 2023



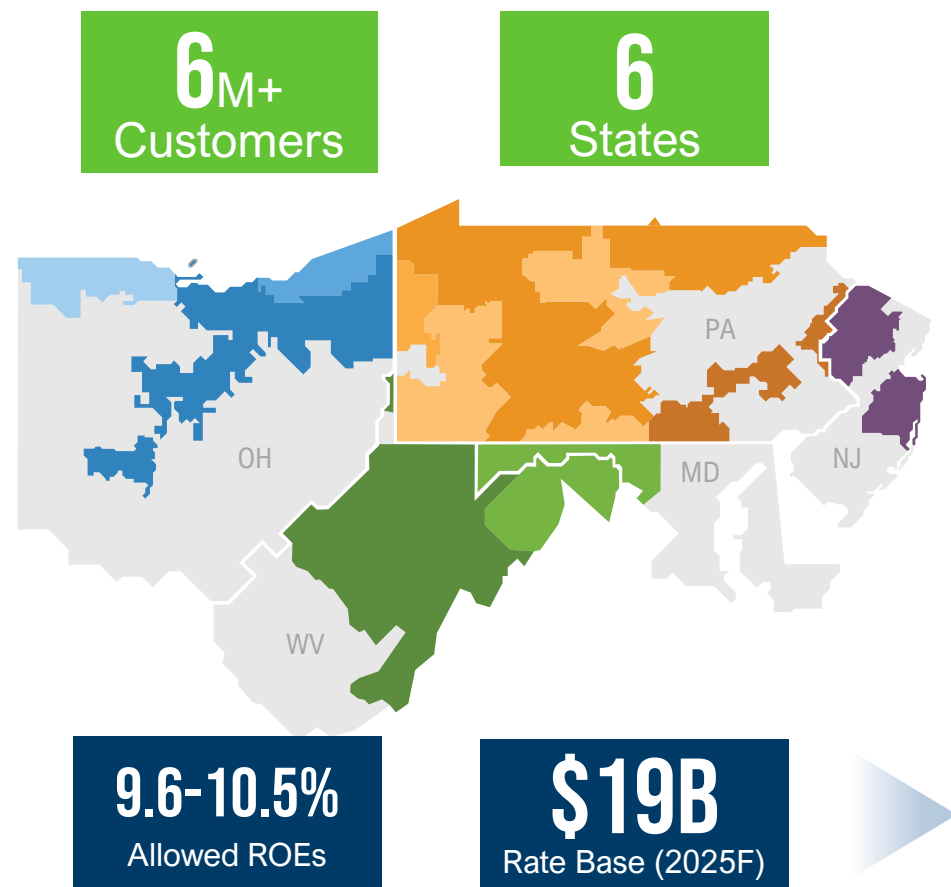


25
YEARS
of Lighting
the Way

Regulated Distribution:
Delivering Customer Focused Growth

Diverse Collection of 10 Utilities

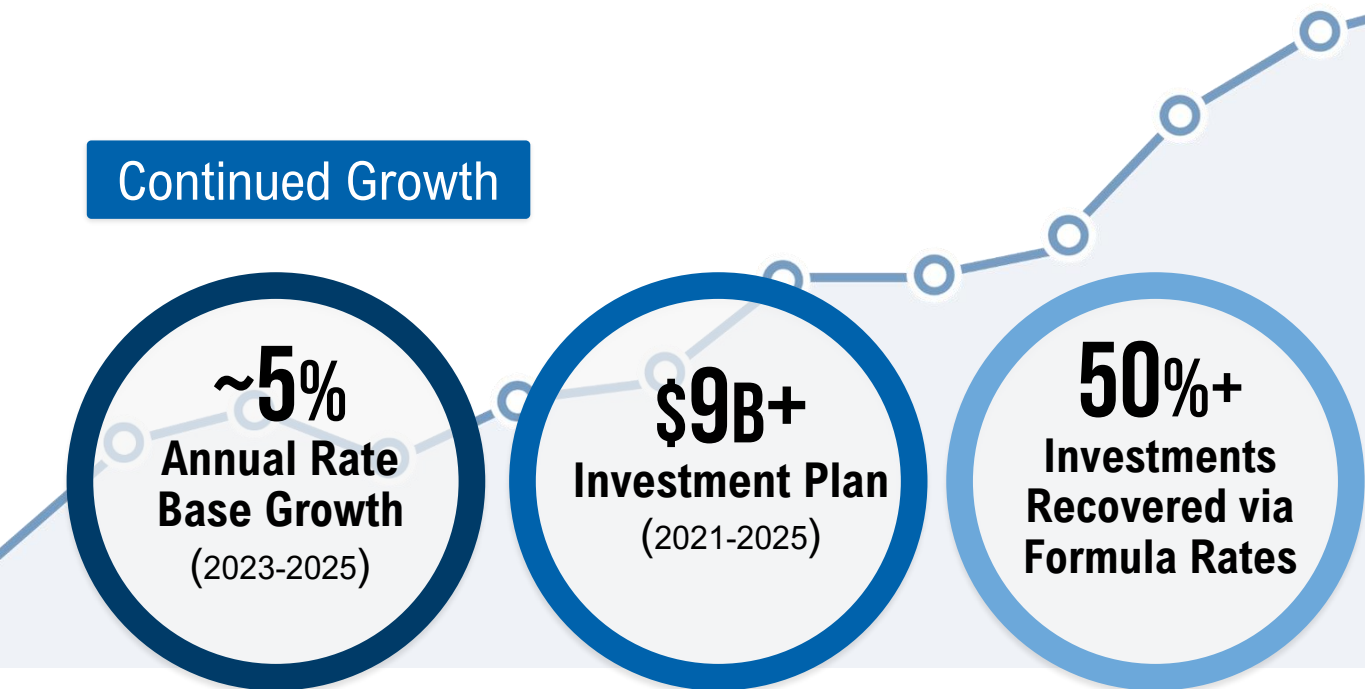
RD Segment Overview



Delivering Customer-Focused Growth

Modernizing and upgrading our system for a **clean energy future**
Increasing investments to enhance the **customer experience**
Providing **safe, reliable, and affordable energy** every day

Continued Growth



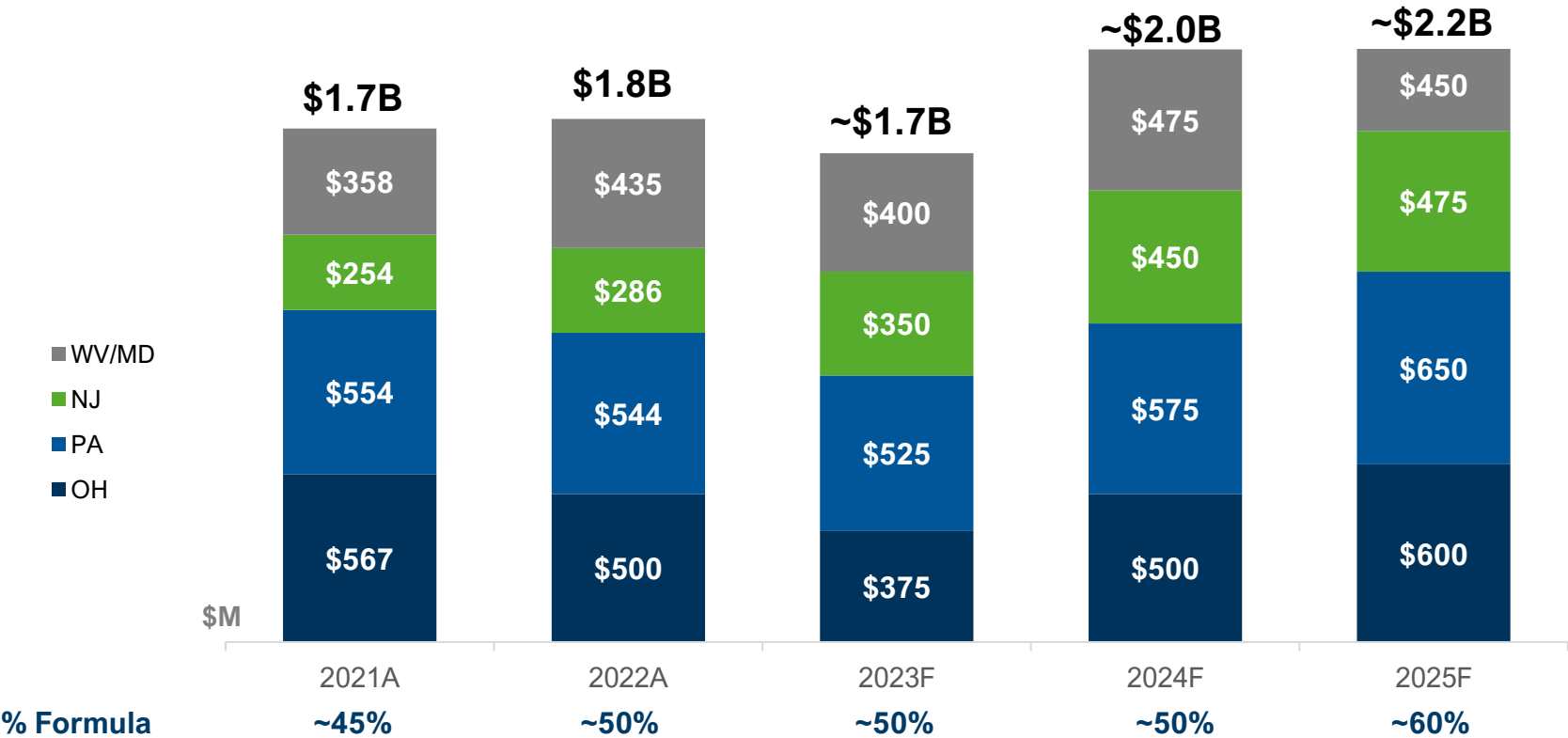
2021-2025 RD Investment Support



Investments to support the grid of the future and improve the customer experience



Increasing the percentage of formula rate investments from 45% in 2021 to 60% in 2025



Notes:
Includes capital-like investments that earn a return
2023F-2025F rounded to nearest \$25M
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes
Reclassification of capital results in change to 2021A

Improving Distribution Reliability via Incremental Investments

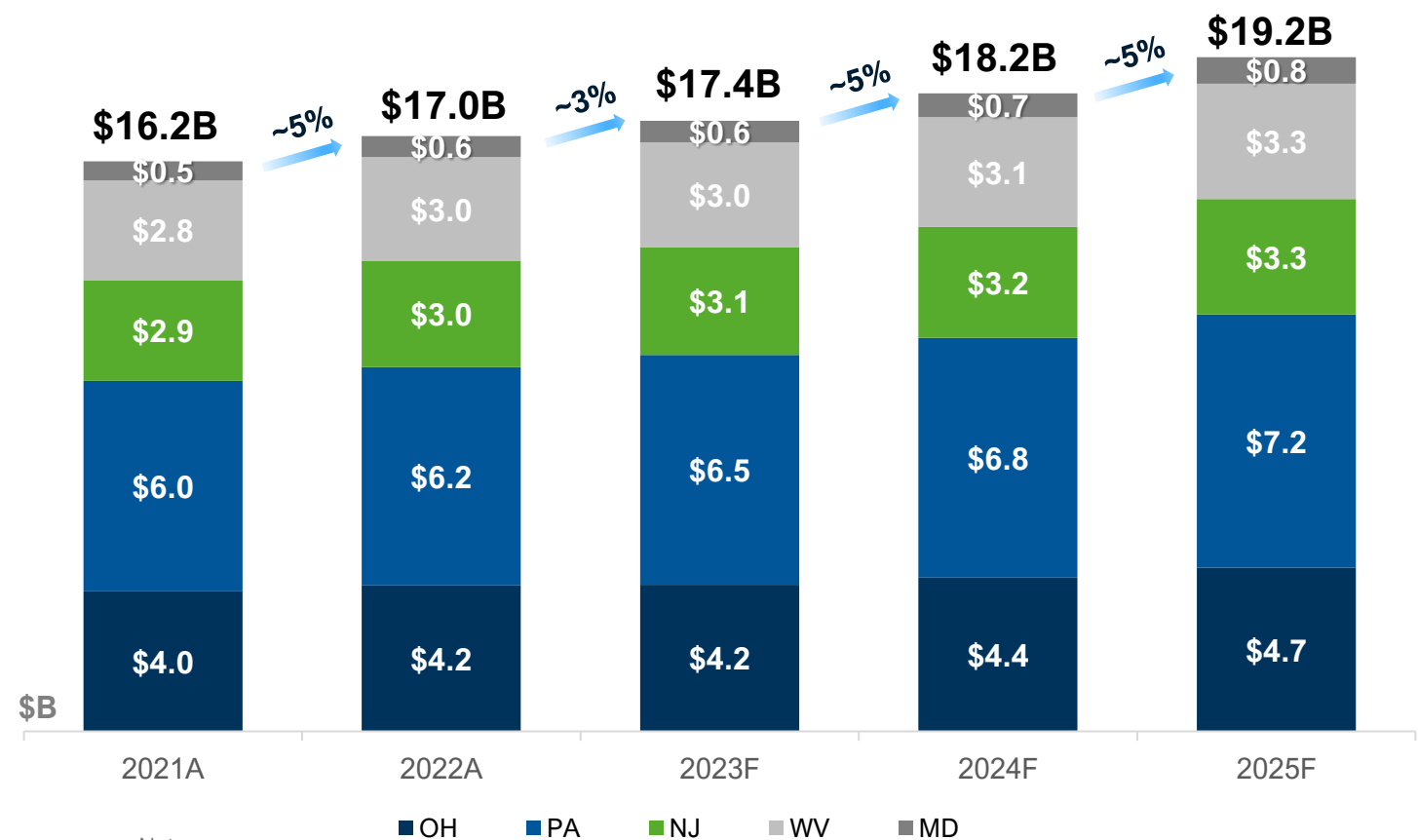
Plan includes incremental investments of ~\$1B over 2023-2025 vs Prior Plan

- Increase replacement rate of circuits, poles, and underground cables
- Add capacity for future demand due to electrification
- Replace critical substation nearing end of life

Planned Reliability/Resiliency Investments in NJ, MD, WV, Ohio

- NJ Infrastructure Investment Program (IIP) to be filed by 1H 2023
- MD's EDIS Phase II to be filed with rate case
- Plan to file a Resiliency Plan with WV's rate case
- Ohio Grid Mod II pending regulatory approval

2021-2025 RD Rate Base Support

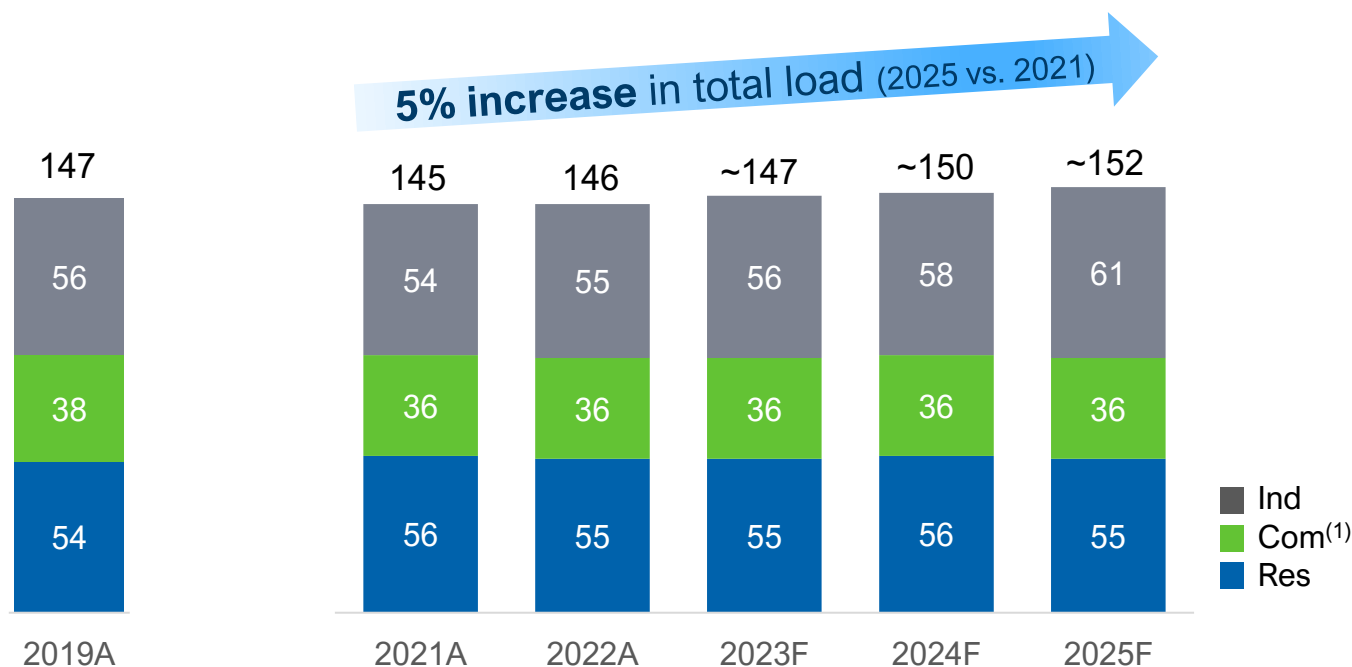


Notes:
Rate Base amounts exclude average CWIP balances of ~\$500M to ~\$900M per year that earn AFUDC. Maryland rate base includes CWIP.
Includes capital-like investments that earn a return
We expect to update the forecast over the period for items such as regulatory filings and approvals, and other changes

Investments to enable a smarter and cleaner electric grid of the future and improve the customer experience

Long-Term Load Forecast

Weather-Adjusted; M MWHs



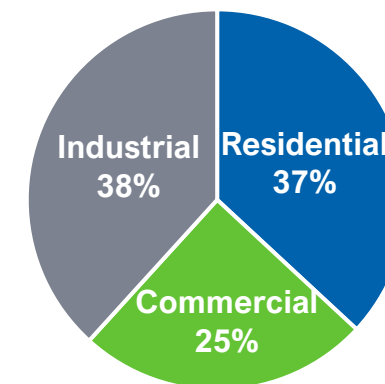
- Expect continued structural shift between Res and Com classes driven by workplace flexibility
 - Higher demand for homes and larger home space; lower demand for office space
- Strong Industrial sales growth through 2025 primarily due to metals in Ohio and data centers in Maryland
- Expecting minimal EV penetration through 2025 in our service territory

⁽¹⁾ Commercial includes street lighting

Note: Numbers may not add down and/or across due to rounding

Balanced Customer Mix

(2022)



Key drivers to consider over time

- Economic factors
- Energy efficiency adoption and mandate changes
- Customer growth
- Accelerated electrification (i.e., electric vehicles)
- Distributed generation adoption
- Post-pandemic impacts

Enhancing the Grid to Support the Energy Transition

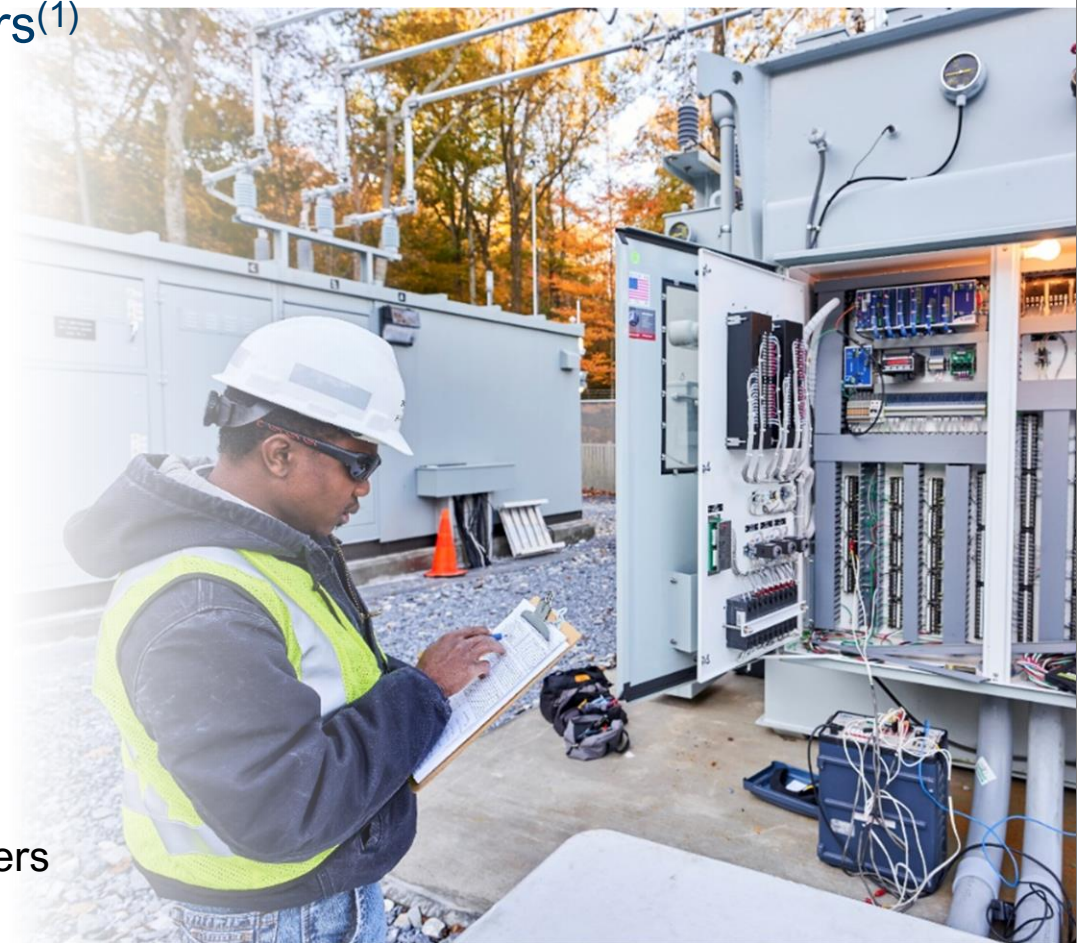
Grid Modernization

OH Grid Mod II (Proposed \$626M investments) over 4 years⁽¹⁾

- Building upon system upgrades from Grid Mod I with:
 - Additional investments in smart meters
 - Planned distribution automation and voltage regulating equipment
 - Continued Advanced Distribution Management System (ADMS) implementation
 - Pilot programs to provide managed EV charging, install a battery storage system, and install automated devices in neighborhoods prone to animal- or tree-related outages

PA LTIIP (Up to \$572M investments) 2020-2024

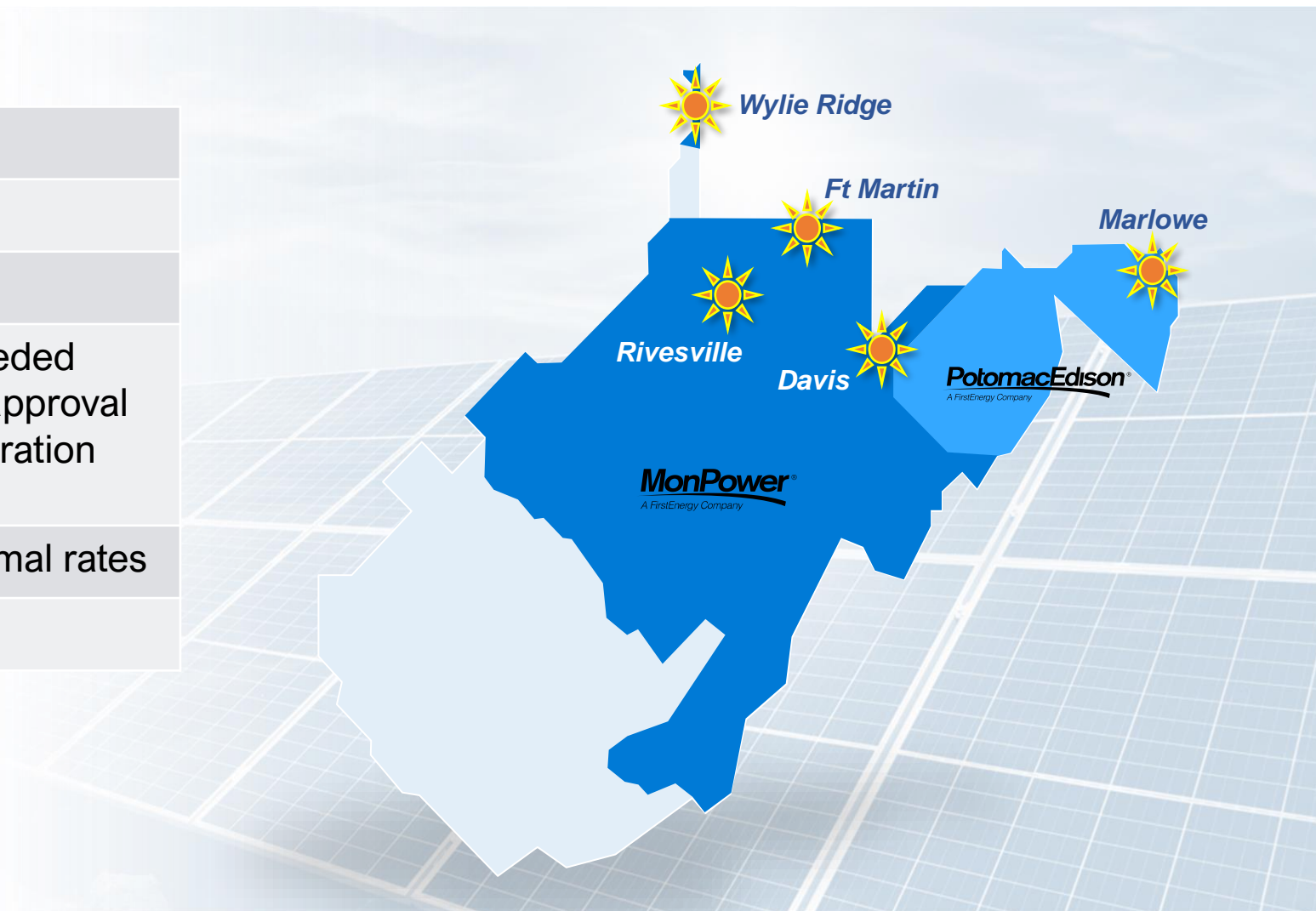
- Continued infrastructure and technology upgrades
 - Accelerated replacement of utility poles, underground and overhead lines and fuses
 - Install new substation equipment, network vaults and manhole covers
 - Reconfiguration of circuits
 - Install automated equipment with continued ADMS implementation



⁽¹⁾ Subject to regulatory approval

Mon Power Owned & Operated Utility-Scale Solar Generation

Investments	\$110M
Total Capacity	50MW
In-servicing	2023 – 2025
Order Details	85% subscription needed before Commission approval of surcharge consideration with 9.8% ROE
Subscription Cost	\$0.04 per kWh + normal rates
SRECs Created	87,000 per year



~80% of FE Customers to have Smart Meters by 2026

Current/Proposed Programs

- **OH Grid Mod II** (Proposed, \$626M of investments) over 4 years⁽¹⁾
 - Includes proposal to deploy smart meters to an additional 700,000 customers (resulting in 2/3 of our OH customers)
- **NJ AMI** (Approved, \$390M of investments) 2023-2025
 - Deploying 1.2M smart meters (~99% of our NJ customers)

Past Programs

- **PA Smart Meters**
 - Successful deployed ~2.1M smart meters (~100% of our PA customers)
 - \$1.3B 20-year total program recoverable costs
- **OH Grid Mod I**
 - Installed ~700,000 smart meters (1/3 of our OH customers)
 - Part of \$516M 3-year investment program



⁽¹⁾ Subject to regulatory approval

Enabling customers to manage their energy consumption and bill

Helping Customers Make Informed Decisions Through Energy Efficiency Programs

PA Energy Efficiency 2021-2026

- Phase IV of the program for residential, residential low income, small and large commercial/industrial with specific opportunities for government, non-profit and institutional
- \$390M total program recoverable costs

NJ JCP&L EE&C Plan 2021-2024

- 10 Energy Efficiency programs and one Peak Demand program for residential, multi-family, commercial/industrial with specific opportunities for low and moderate income, small business and local government customers
- \$203M total program recoverable costs

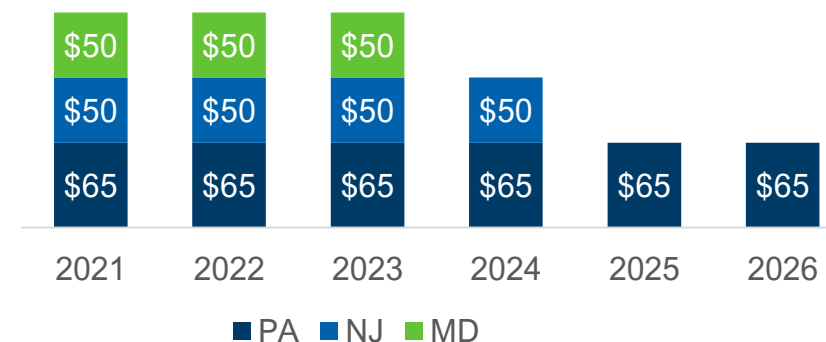
Preparing for EE&C filing by 4Q 2023 that will cover the second Triennium (July 2024-June 2027)

MD EmPOWER Energy Efficiency Program 2021-2023

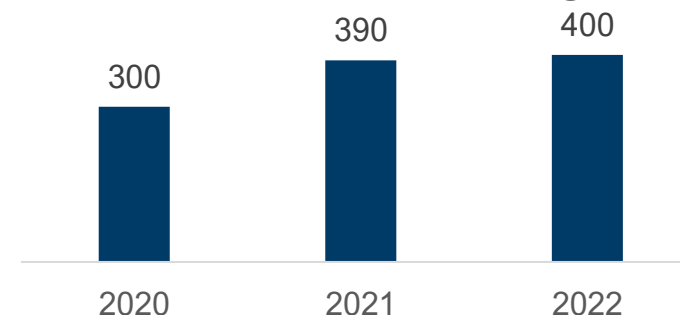
- Program for residential, residential low income, small and large commercial/industrial with specific opportunities for government, non-profit and institutional
- \$124M total program recoverable costs

Preparing to file EmPower Phase V by 4Q 2023 that will cover EE programs from 2024 to 2026

~\$700M EE Current Program Spend
(\$M, Rounded)



Customer MWh Savings



Capturing Growth of Electric Vehicles

■ MD EV Driven Pilot Program 2019–2023

- \$7M Pilot Program
- Install and own 59 L2/DC Fast Chargers (utility-owned)
- \$554k in rebates

■ MD Battery Storage Pilot Program 2022–2037

- \$8M Program
- Company owned/operated at EV charging location (500kW)
- 3rd party owned/operated on distribution radial circuit (1.75MW)

■ NJ EV Driven Program 2022–2025

- \$40M Program (includes \$11M implementation costs)
 - \$15M incentives for public-access DC fast charging ports
 - \$14M incentives for residential/commercial customers

■ OH Pilot Programs (filed with proposed Grid Mod II)⁽¹⁾

- \$7M of incentives and other costs for residential/commercial/governmental customers
- \$1.6M for investment and maintenance of battery storage system designed to support the distribution system near increased EV charging load

\$60M+ spend on current EV programs



Electric Vehicle Growth

EVs are forecasted to increase from <1% to 21% of vehicles by 2040 in our service territory

- Increase of 2.4M number of vehicles
- ~16% incremental load by 2040

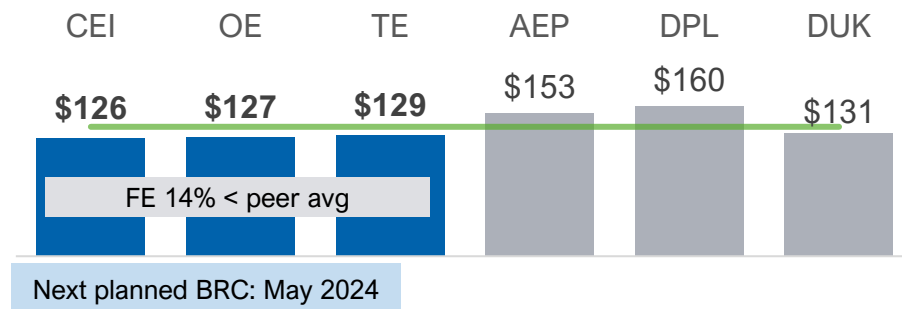
(1) Subject to regulatory approval

Pursuing an electrification strategy to capture load growth

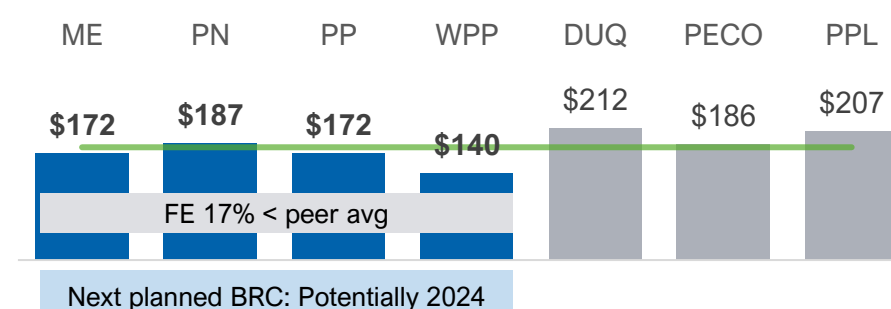
Commitment to Affordability

Rates Effective January 1, 2023

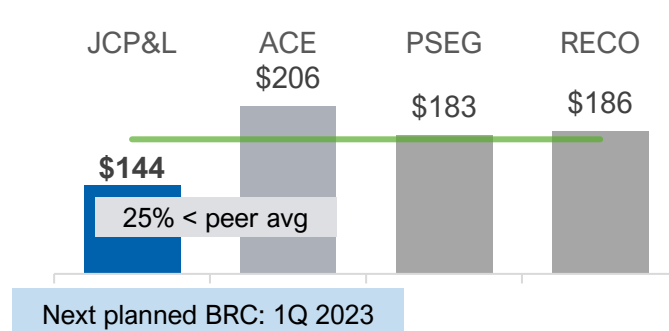
OHIO [state avg \$138]



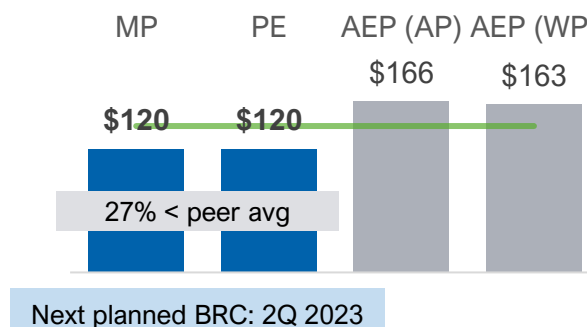
PENNSYLVANIA [state avg \$182]



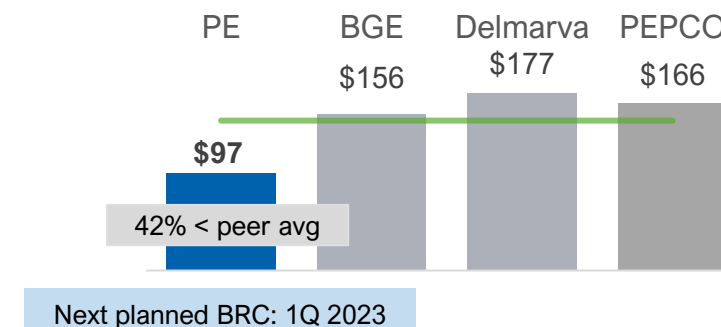
NEW JERSEY [state avg \$180]



WEST VIRGINIA [state avg \$142]




MARYLAND [state avg \$149]



Average residential monthly usage in all states 1,000 kWh
The FirstEnergy Ohio Companies' rates include winter pricing

A Strong Customer Affordability Position


Decade of Improved Affordability



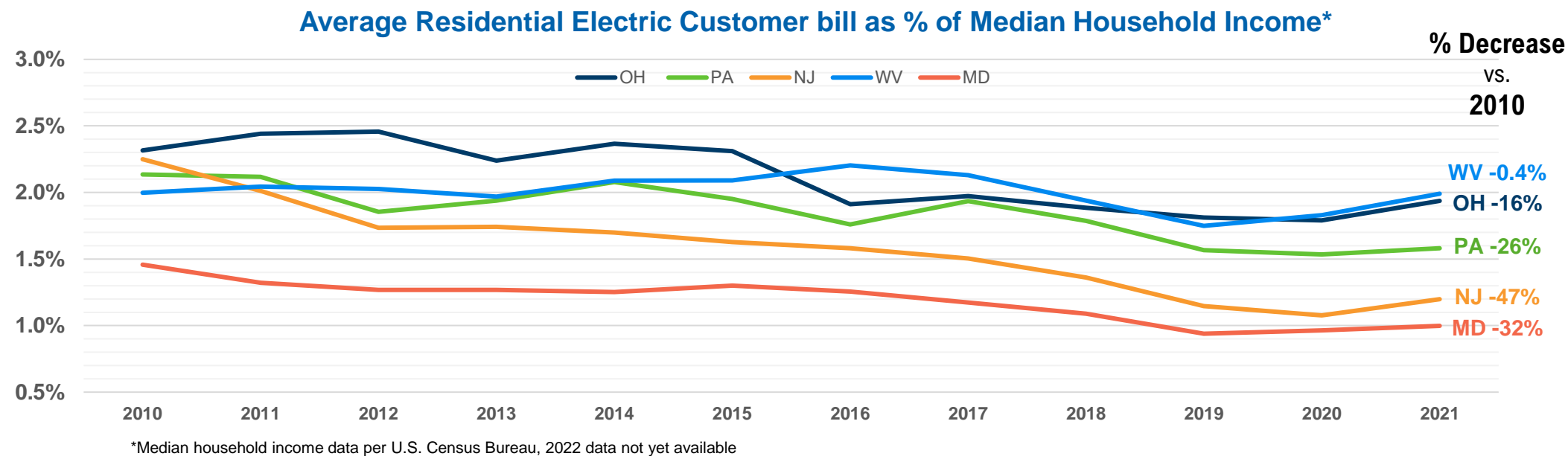
Electricity spend as percent of median household income is very low and has declined in the states we serve



Across our 5 states, affordability has improved by an average of 24% since 2010

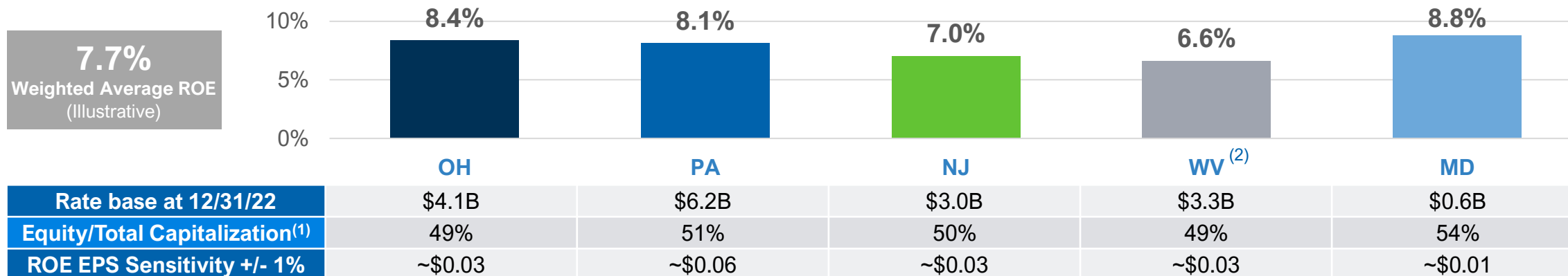


Long-term, the energy transition and increased electrification could provide continued affordability support for all customers



RD Segment – State ROEs

TTM 12/31/2022



Key Regulatory Adjustments

All States	OH	PA	NJ	WV	MD
<ul style="list-style-type: none"> Actual revenue, not weather normalized Income taxes calculated using statutory rates, consistent with practice used in base rate case filings 	<ul style="list-style-type: none"> Excludes subsidiary company earnings (PP) Rider DCR revenue equal to the allowed revenue cap Includes pension/OPEB service costs only; excludes amortization of actuarial losses and other non-service credits 	<ul style="list-style-type: none"> Pension based on 10-year historical cash contributions (consistent with certain other utilities in PA) OPEB based on current year service costs 	<ul style="list-style-type: none"> Includes total pension expense (credit) including use of delayed recognition method⁽³⁾ for pension/OPEB actuarial losses (i.e., MTM adjustments) Consolidated Tax Adjustment to rate base, based on Commission's practice 	<ul style="list-style-type: none"> Separation study uses various allocation methods to separate PE into WV, MD, and VA Includes total pension expense (credit) including use of delayed recognition method⁽³⁾ for pension/OPEB actuarial losses (i.e., MTM adjustments) Excludes impact of AGC (Bath) and the securitized Ft. Martin scrubbers 	<ul style="list-style-type: none"> Separation study uses various allocation methods to separate PE into WV, MD, and VA Includes total pension expense (credit) including use of delayed recognition method⁽³⁾ for pension/OPEB actuarial losses (i.e., MTM adjustments)

ROEs may not tie to upcoming rate filings due to items such as updated allocators, taxes, and adjustments

⁽¹⁾ Calculated using allowed capital structure for OH, actual for PA, WV & MD, and actual for NJ (adjusted for Goodwill) – consistent methodology as the last base rate case and/or quarterly earnings reports, as applicable

⁽²⁾ Includes generation and transmission

⁽³⁾ Consistent with amortization of actuarial gains and losses

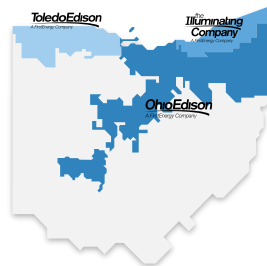
Select Recovery Mechanisms

	OH	PA	NJ	WV	MD
Energy Efficiency⁽¹⁾	Semi-Annual	Annual	Annual		Annual
Grid Modernization	Quarterly				
Smart Meters⁽²⁾	Quarterly	Annual			
Incremental Investments	Quarterly			Annual	Annual
Accelerated Infrastructure Investments		Quarterly			
Transmission	Annual				
Generation/ Purchased Power Costs	Annual	Quarterly	Quarterly	Annual	Triannual
Vegetation				Biennial	
Storm Costs		Rate case		Rate case	
Bad Debt	Quarterly		Annual		

(1) Energy Efficiency rider in Ohio is not recovering costs of current programs

(2) In NJ, AMI capital, O&M, COR, Depreciation/Amortization, including ROR are deferred as regulatory assets for recovery in subsequent base rate case

Ohio Overview



CUSTOMERS: 2.1M

INDUSTRIES SERVED: Primary and Fabricated Metals, Chemical, Automotive, Petroleum, Plastics & Rubber

SERVICES PROVIDED

- OE, CEI, and TE provide Distribution service to ~1,060K, 755K and 315K customers, respectively
- Transmission assets are owned and operated by ATSI

LAST APPROVED RATE CASE STATISTICS

(Jan. 2009)

Dx Rate Base	\$2.7B
Allowed ROE	10.5%
Allowed Debt / Equity	51:49
Test Year	Feb. 2008 (12 mos. ended)

REGULATORY STRATEGY

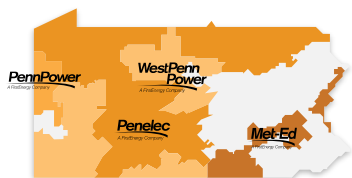
- In December 2021, PUCO approved a unanimous settlement with Ohio stakeholders, which resolves a wide range of topics in ten proceedings before the Commission
 - Supports our ESP through May 2024 and provides Ohio customers with over \$300M in aggregate benefits

\$M	2022	2023	2024	2025	Total
Refunds (2017-2019) ⁽¹⁾	\$96	-	-	-	\$96
Rate credits ⁽²⁾	\$80	\$60	\$45	\$25	\$210
Total value	\$176	\$60	\$45	\$25	\$306
Projected Annual SEET Net Income	~\$200M				
Projected Regulatory ROE	~9 – 10%				

(1) Recognized as a special item in 2021
(2) Included in Operating (non-GAAP) results

- Filed proposed Grid Modernization Phase II in July 2022
- Preparing to file ESP V to address the end of the Ohio companies' current ESP, which expires May 31, 2024
- Preparing for a base rate case filing in May 2024

Pennsylvania Overview



CUSTOMERS: 2.1M

INDUSTRIES SERVED: Primary and Fabricated Metals, Shale Gas, Chemical, Coal Mining, Electric Equipment Manufacturing

SERVICES PROVIDED

- ME, PN, and PP provide Distribution service to ~580K, 590K, & 170K customers, respectively, while WPP provides Distribution and formula rate Transmission services to ~735K customers
- Transmission assets are owned & operated by MAIT for ME and PN while transmission assets are owned and operated by ATSI for PP

LAST APPROVED RATE CASE STATISTICS

(Jan. 2017)

Dx Rate Base	\$4.8B
Allowed ROE	Settled
Allowed Debt / Equity	Settled
Test Year	2017 (projected year)

REGULATORY STRATEGY

- Last two PA rate cases (2015, 2017) were settled which allows for parties to reach consensus revenue requirement without specifying agreement on specific individual terms(e.g., allowed ROE, rate base, capital structure)
- LTIPs for the 2020-2024 period were approved in January 2020; all companies are currently collecting under the DSIC rider
 - DSIC caps set at 5%. DSIC cap for Penn Power is set at 7.5% through 2024 per settlement was approved by the commission on March 12, 2020
- Planning to file for legal consolidation of PA companies in 1H 2023
- Considering a potential base rate case filing and next phase of LTIP for 2024

New Jersey Overview



CUSTOMERS: 1.1M

INDUSTRIES SERVED: Chemical, Primary and Fabricated Metals, Food Manufacturing, Plastic & Rubber

SERVICES PROVIDED

- JCP&L provides Distribution and Transmission services to ~1,150K customers
- Transmission assets are owned and operated by JCP&L and recovered through formula rates

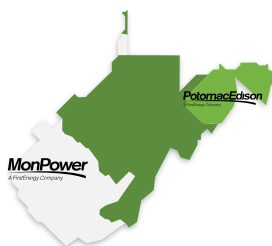
LAST APPROVED RATE CASE STATISTICS (Oct. 2020)

Dx Rate Base	\$2.6B
Allowed ROE	9.6%
Allowed Debt / Equity	49:51
Test Year	TTM ended Jun. 2020 (historical test year)

REGULATORY STRATEGY

- Advanced Metering Infrastructure (“AMI”) Plan approved in February 2022
- Light-duty EV-driven charging program approved in June 2022; 4-year, \$40M program
- Preparing to file a base rate case by end of 1Q 2023; potential to file an Investment Infrastructure Program (IIP) proposal in 1H 2023
- Preparing for a medium-heavy duty EV charging program filing in 2023
- Preparing for an Energy Efficiency and Conservation (“EE&C”) filing by 4Q 2023 that will cover the second Triennium (July 2024 – June 2027)

West Virginia Overview



CUSTOMERS: 545K

INDUSTRIES SERVED: Chemical, Coal Mining, Non-Metallic Minerals, Primary and Fabricated Metals, Oil & Gas Extractions

SERVICES PROVIDED

- MP, a vertically integrated company, provides Distribution, Transmission and Generation services to ~395K customers
- MP owns/controls 3,580MW of regulated generation
- PE provides Distribution, Transmission, and Generation services to ~150K customers and has a PPA in place with MP to procure generation

LAST APPROVED RATE CASE STATISTICS (Feb. 2015)

Rate Base	\$2.5B (Dx+Tx+Gx)
Allowed ROE	Settled
Allowed Debt / Equity	54:46
Test Year	2013 (historical test year)

REGULATORY STRATEGY

- The WV PSC views MP and PE on a combined company basis for regulatory filings and establishment of rates
- Received conditional approval to build five utility-scale solar generation projects totaling 50 MW; pending final WV PSC approval
- Received Commission approval of ELG environmental compliance projects at the Fort Martin and Harrison Power Stations
- Received approval to increase ENEC interim rates effective May 2022 and an additional increase at the end of 2023
- In January 2023, filed for an increase in depreciation rates
- Preparing to file a base rate case in 1H 2023

REGULATED GENERATION

	PJM Zone	State	Fuel Type	Units	Net Max Cap (MW)	Year Plant Comm	2022 Output M MWH
Bath Co.	Dominion	VA	Hydro	6	487 ⁽¹⁾	1985	0.8
Ft. Martin	APS	WV	Coal	2	1,098	1967	5.0
Harrison	APS	WV	Coal	3	1,984	1972	12.1
OVEC	Rest of RTO	Multiple	Coal	Multiple	11 ⁽²⁾	Various	<0.1
Total					3,580		

⁽¹⁾ Represents MP's indirect 16.25% interest in Bath County, a pumped-storage hydroelectric station. Bath County is also 23.75% owned by LS Power (non-FE affiliated) and operated by 60% owner Virginia Electric and Power Company (non-FE affiliated).

⁽²⁾ Represents MP's 0.49% entitlement based on its participation in OVEC

Maryland Overview



CUSTOMERS: 285K

INDUSTRIES SERVED: Chemical, Coal Mining, Non-Metallic Minerals, Plastics and Rubber Products

SERVICES PROVIDED

- PE provides Distribution and Transmission services to ~285K customers (see exception in bullet point below)
- PE provides standard offer Transmission and Generation services to customers that do not elect an alternative generation supplier

LAST APPROVED RATE CASE STATISTICS

(Mar. 2019)

Dx Rate Base	\$462M
Allowed ROE	9.65%
Allowed Debt / Equity	47:53
Test Year	12 mos. Ended Jun. 2018 (historical test year)

REGULATORY STRATEGY

- Current distribution base rates approved March 2019
 - Includes Electric Distribution Investment Surcharge (EDIS) for 2019-2023 to recover incremental capital investments to improve reliability
- Preparing to file distribution base rate case in March 2023 and inclusion of a proposed second phase for EDIS
- Preparing to file EmPower Phase V by 4Q 2023 that will cover energy efficiency programs from 2024 to 2026. Expect Commission order by end of year



25 YEARS
of Lighting
the Way

Corporate Responsibility/EESG

EESG
employee environmental
social
governance

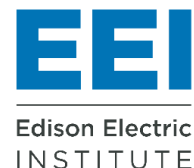
Integrated EESG throughout FirstEnergy's strategy

We believe our success requires strong management and oversight of employee, environmental, social and governance (EESG) matters, as well as transparency and accountability regarding where we need to improve and how we're going to succeed.



Expanded *EESG* framework to emphasize the role of our employees

Industry Awards & Recognition



Recognized in 2022 by the ROW Stewardship Council as a fully accredited ROW Utility Steward



Earned 2022 Bloomberg Gender-Equality Index Designation for the 4th consecutive year



Received Industry Recognition from Edison Electric Institute for Outstanding Service to Major Customers



Received Industry Recognition for Outage Restoration Efforts for the 15th consecutive year



Awarded US Veterans Mag / Military Friendly Employer Bronze



Awarded the National Organization on Disability (NOD) Leading Disability Employer Seal™



Named to Diversity Inc 2021 Top Utilities, ESG, and Philanthropy Lists



Named to Forbes' Best Employers for Diversity 2021 List



Rated a Trendsetter in 2022 CPA-Zicklin Index with a score of 92.9%



★ Employee ★ Environmental ★ Social ★ Governance

EESG: Employee Highlights



Diverse, Inclusive, Rewarding Culture

- Culture champions embed core values and support culture transformation across the company
- 8 EBRGs, with 20 chapters and ~2,700 members
- 19% increase⁽¹⁾ in the racially and ethnically diversity of our leadership. The racial and ethnic diversity of our overall workforce is currently at 10.4%
- Hosted a series of DEI sessions to increase awareness of policies, practices, and programs that advance diversity, equity and inclusion

⁽¹⁾ 2020 baseline



Talent Management and Employee Development

- Enhancing our diversity recruiting strategy to expand our reach, improve sourcing and engage over 400 employees through our FirstEnergy Ambassador Network
- Increasing education and transparency about talent management processes and career development opportunities
- Holding two-way quarterly check-in conversations with a supervisor to discuss priorities, career aspirations, development goals and more
- Formal mentoring program with 723 participants (18% racially and ethnically diverse and 43% female)



Employee Safety, Health and Wellness

- Fostering a culture of psychological safety where employees feel safe and are encouraged to speak up
- Helping employees work in a mobile and flexible fashion while increasing employee satisfaction and work-life balance
- Living our core value of safety by creating a work environment that helps ensure every employee returns home safely every day

We strive to develop a safe, inclusive, equitable and rewarding work culture for all employees

See more Employee Highlights at [Employee \(fecorporateresponsibility.com\)](https://www.firstenergy.com/corporate-responsibility)

EESG: Climate Strategy

Reducing emissions to achieve carbon neutrality by 2050

- Transitioning away from our two coal plants by 2050
- Reducing sulfur hexafluoride (SF₆) emissions from transmission equipment
- Electrifying our vehicle fleet



Enabling the energy transition to a low-carbon future

- **Protecting** and **enhancing** the **transmission** system to support grid reliability and enable increased renewables and other clean energy trends
- Building the technologically **advanced distribution grid** of the future by implementing grid management solutions, smart meters, automation, EV charging infrastructure and other emerging technologies
- Being **innovative** and **forward-thinking** with our coal generation fleet as we **explore opportunities** to incorporate renewable resources and implement emerging technologies

Our Climate Strategy in Action

Greenhouse Gas (GHG) Reduction Goal

Fleet Electrification

Transmission Investments

Grid of the Future Distribution Investments

Solar Generation

DER Interconnections

NJ Offshore Wind

Economywide Electrification

EESG: Greenhouse Gas Reduction Goal

Our Scope 1 Decarbonization Approach




**30%
REDUCTION**
from a 2019 baseline
by 2030

- 1

Implement efficiencies at our two WV regulated coal plants
- 2

Convert one-third of aerial and light-duty vehicle fleet to electric and hybrid alternatives
- 3

Repair and replace transmission breakers that leak SF₆

 **As of year-end 2021, the actions above have resulted in 12% reduction of Scope 1 GHG emissions from our 2019 baseline**

- 1

Transition away from our two WV regulated coal plants
- 2

Electrify 100% of aerial and light-duty vehicle fleet
- 3

Continue reducing SF₆ emissions from transmission breakers

WV Coal Strategy

Intend to engage in broad stakeholder dialogue regarding future transition plan for our two coal plants



2022A Coal Generation as % of Total FE:

Rate Base ~5%	Net Income ~5%
Revenue ~10%	Capital ~5%



Please visit our [Climate Report](#) for additional decarbonization details

EESG: Environmental Highlights

CREATING POLLINATOR- FRIENDLY HABITATS

**Achieved 172 acres of
biodiverse habitats
since 2020**

Goal to create a total of 225
acres in our service territory
by 2025

BIODIVERSITY COMMITMENT & CONSERVATION

**Planted 23,056 trees in
our service territory in
2022**

Green Teams targeting to
plant additional 20,000 trees
in 2023, focusing on
economically depressed
neighborhoods

ENVIRONMENTAL JUSTICE

**New policy and program
established in 2022**

Incorporates environmental
justice into our daily practices
as we move forward in
equitable support of our
stakeholders

RIGHT-OF-WAY STEWARDSHIP

**Improving habitat and
providing ecological
benefits for wildlife**

Fully reaccredited ROW
Steward for Integrated
Vegetation Management

Acting as good stewards of our environment and our communities

[See more Environmental Highlights at Environmental](https://www.firstenergy.com/en-us/about-us/commitment-to-the-community/environmental-social-governance) ([fecorporateresponsibility.com](https://www.firstenergy.com/en-us/about-us/commitment-to-the-community/environmental-social-governance))

EESG: Social Highlights



Public Safety Campaign

TV and Radio Ad Campaigns

Live Wire
Electrical Safety Trailers

Programs focusing on students, first responders and high-risk contractors

\$4.7M
Corporate Giving



~25,600
Employee
Volunteer Hours

Developing an effortless, transparent and consistent customer experience

Launched “We’re Customers Just Like You” campaign to raise customer awareness of payment assistance programs

\$11.5B
Economic Impact

25,000
New Jobs Attracted
(direct, indirect and induced)

Advancing equitable and inclusive business practices to enable positive change for our communities, while delivering superior customer service

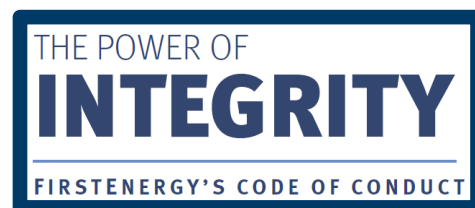
EESG: Governance Highlights



Centralized Compliance

Utilizing the Employee Concerns Line and EthicsPoint to anonymously report violations or other business conduct inquiries

Providing training to all employees and leaders on the Code of Conduct, Speak-up Resources, Concerns Management, Gifts & Business Courtesies, and Political and Public Engagement



Integrity Driven Culture

Acting with integrity in our daily work is important and powerful

Spotlighting each of our 5 core values to help employees better understand how living our values drives our success at FirstEnergy



Corporate Responsibility

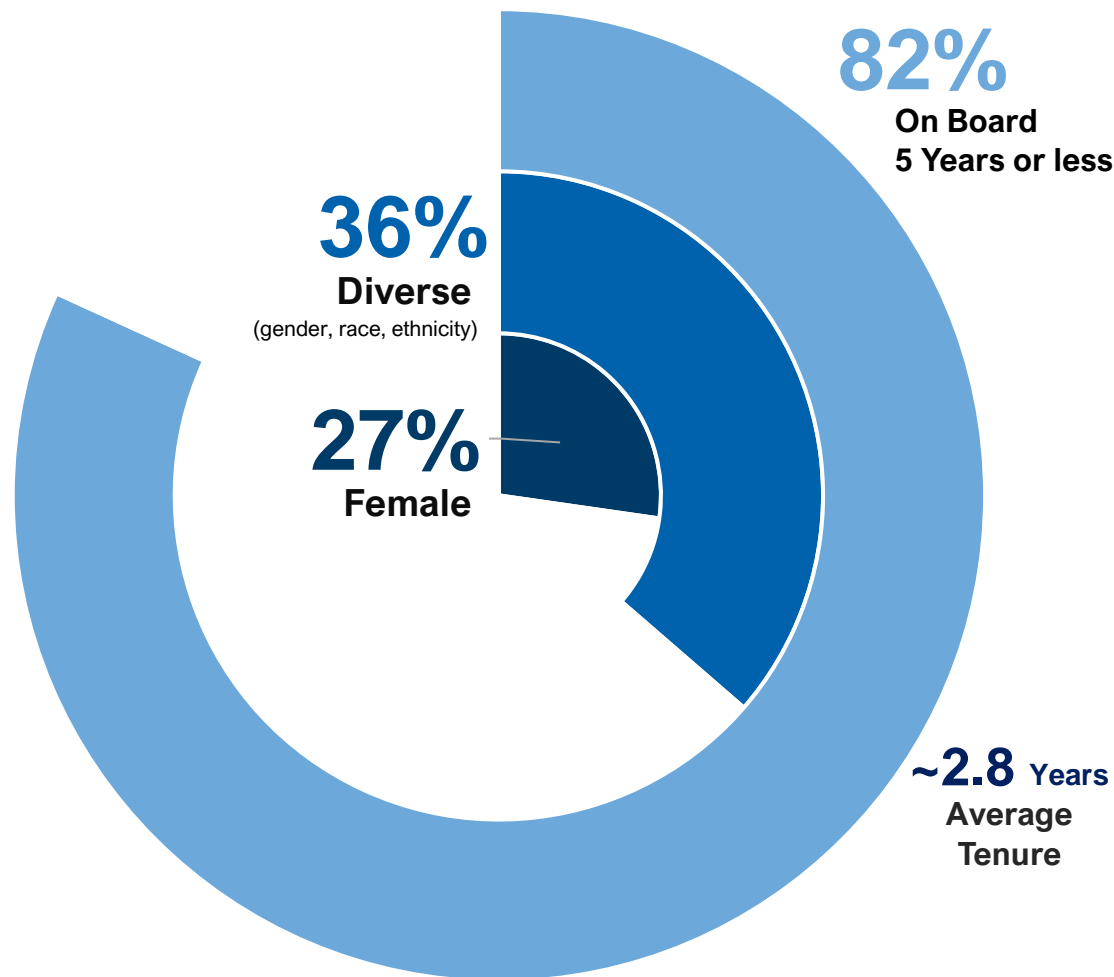
Corporate Responsibility website and EESG data center refreshed in November 2022

Created management-level Climate Subcommittee

Maintaining oversight and accountability of significant company issues and strengthening risk management

[See more Governance Highlights at Governance \(fecorporateresponsibility.com\)](https://www.firstenergy.com/governance)

EESG: Commitment to Governance and Board Diversity

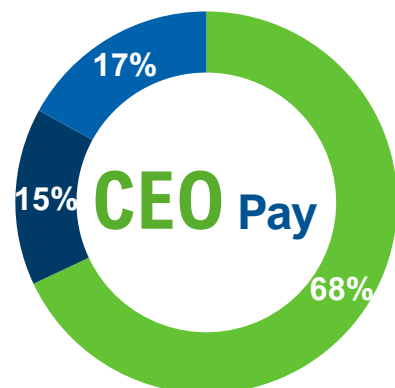


BOARD COMMITTEES

- Audit
- Finance
- Compensation
- Corporate Governance, Corporate Responsibility, and Political Oversight
- Operations and Safety Oversight
- Special Litigation

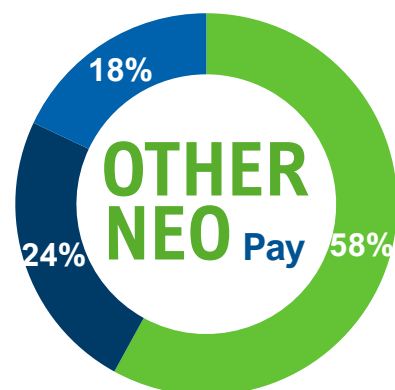
EESG: Executive Compensation Tied to FirstEnergy's Strategy & EESG

Pay Mix at Target



85% Variable Pay (Performance Based)

■ LTIP ■ Base Pay ■ STIP



76% Variable Pay (Performance Based)

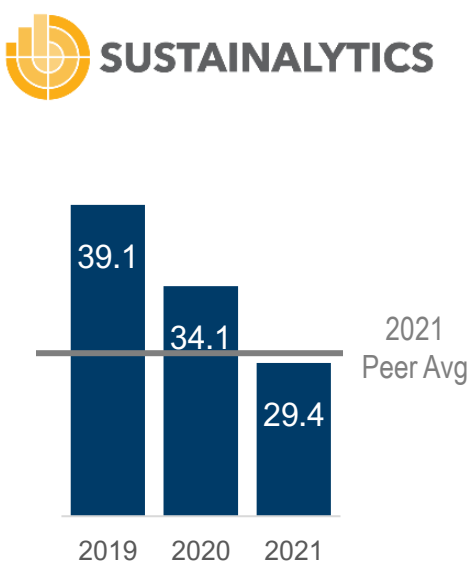
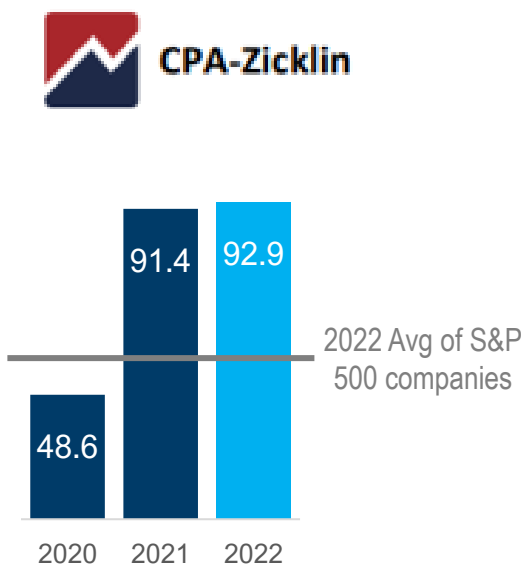
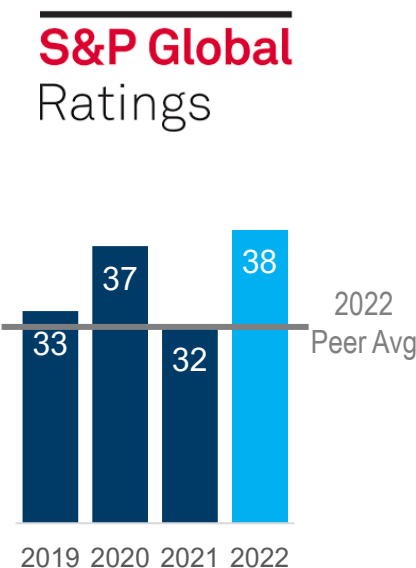
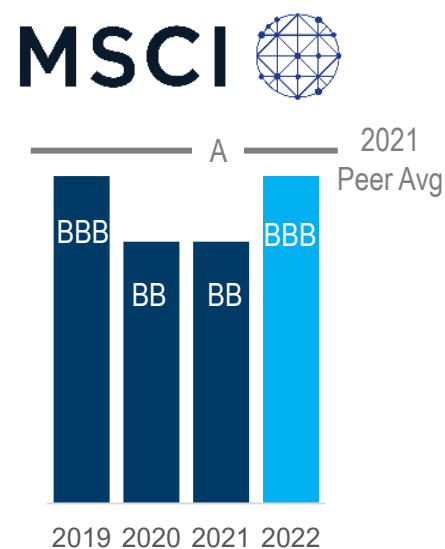
Information based on 2021 compensation plan year and forward-looking information as disclosed in the 2022 Proxy Statement

	Annual KPI	Long-term KPI
Employee	<ul style="list-style-type: none"> Systemwide Days Away/Restricted or Job Transfer Rate Systemwide Life Changing Events Diversity, Equity and Inclusion (DEI) Index (diverse succession planning, diverse hiring, and responses on the DEI Inclusion Index in the Employee Engagement Survey) 	
Environmental	<ul style="list-style-type: none"> Operations Index (Environmental Excursions and Notice of Violations) 	
Social	<ul style="list-style-type: none"> Operations Index (System Average Interruption Duration Index, Transmission Outage Frequency, First Call Resolution, Engaged Customer Relationship Score) 	
Governance	<ul style="list-style-type: none"> Operating Earnings Cash from Operations less Capital Expenditures Ethics and Compliance Modifier (Individual) 	<ul style="list-style-type: none"> Cumulative Operating EPS Relative Total Shareholder Return

EESG: Continuing Improvement of ESG Rating Scores

Our continued focus on transparency and disclosures is helping to improve our ESG rating scores, despite negative impacts from HB6-related issues

Actively engaging with rating organizations and internal business units to continue to improve transparency and disclosures



Higher scores are better

Lower score is better

EESG: Improvement through Transparency Efforts

Key Disclosures

Climate

Climate Report



Climate Strategy



TCFD Disclosure

TCFD Recommendations	TCFD Recommended Disclosures	Current disclosures
TCFD Goal 1		
Include the organization's general climate change risk management strategy	<ul style="list-style-type: none"> Identify the organization's climate-related risks and opportunities Assess the organization's exposure to climate-related risks and opportunities Identify the organization's climate-related risks and opportunities 	TCFD 2019/2020 10-12 TCFD 2019/2020 10-12 TCFD 2019/2020 10-12
TCFD Goal 2		
Include the actual performance of climate-related risks and opportunities	<ul style="list-style-type: none"> Identify the organization's climate-related risks and opportunities Assess the organization's exposure to climate-related risks and opportunities Identify the organization's climate-related risks and opportunities 	TCFD 2019/2020 10-12 TCFD 2019/2020 10-12 TCFD 2019/2020 10-12

Environmental Justice Policy

Our Environmental Justice Policy

Corporate Engagement Report (Trade associations)

Corporate Engagement Report

Governance

Code of Conduct



2022 Proxy



Corporate Governance Policies



Strategic Goals for the Future



EESG Data Tables

[illegible]

EEI Template

Electric Company E5/Sustainability Quantitative Information

Environmental

- CO2 emissions (Scope 1 & 2): 1,200,000 tonnes
- Water consumption: 50,000,000 litres
- Waste generated: 10,000 tonnes
- Renewable energy usage: 25%

Social

- Employee satisfaction: 85%
- Employee turnover: 10%
- Community investment: \$500,000

Governance

- Board diversity: 30%
- Executive compensation: \$1,000,000
- Shareholder engagement: 75%

Metric	Unit	Value
CO2 emissions (Scope 1 & 2)	tonnes	1,200,000
Water consumption	litres	50,000,000
Waste generated	tonnes	10,000
Renewable energy usage	%	25%
Employee satisfaction	%	85%
Employee turnover	%	10%
Community investment	\$	500,000
Board diversity	%	30%
Executive compensation	\$	1,000,000
Shareholder engagement	%	75%

SASB

Sustainability Accounting Standards Board (SASB) Index	
Code	Issue
PASB-001	Accounting for climate-related activities
PASB-002	Accounting for water-related activities
PASB-003	Accounting for energy-related activities
PASB-004	Accounting for pollution-related activities
PASB-005	Accounting for biodiversity-related activities
PASB-006	Accounting for human rights-related activities
PASB-007	Accounting for labor practices-related activities
PASB-008	Accounting for community development-related activities
PASB-009	Accounting for product safety-related activities
PASB-010	Accounting for cybersecurity-related activities
PASB-011	Accounting for data privacy-related activities
PASB-012	Accounting for digital marketing-related activities
PASB-013	Accounting for social media-related activities
PASB-014	Accounting for brand management-related activities
PASB-015	Accounting for intellectual property-related activities
PASB-016	Accounting for research and development-related activities
PASB-017	Accounting for manufacturing-related activities
PASB-018	Accounting for distribution-related activities
PASB-019	Accounting for retail-related activities
PASB-020	Accounting for customer service-related activities
PASB-021	Accounting for employee relations-related activities
PASB-022	Accounting for compensation-related activities
PASB-023	Accounting for benefits-related activities
PASB-024	Accounting for training and development-related activities
PASB-025	Accounting for diversity and inclusion-related activities
PASB-026	Accounting for equal opportunity-related activities
PASB-027	Accounting for harassment-related activities
PASB-028	Accounting for discrimination-related activities
PASB-029	Accounting for retaliation-related activities
PASB-030	Accounting for whistleblower-related activities
PASB-031	Accounting for corporate governance-related activities
PASB-032	Accounting for board composition-related activities
PASB-033	Accounting for board independence-related activities
PASB-034	Accounting for board diversity-related activities
PASB-035	Accounting for board expertise-related activities
PASB-036	Accounting for board oversight-related activities
PASB-037	Accounting for board evaluation-related activities
PASB-038	Accounting for board remuneration-related activities
PASB-039	Accounting for board succession-related activities
PASB-040	Accounting for board nomination-related activities
PASB-041	Accounting for board election-related activities
PASB-042	Accounting for board removal-related activities
PASB-043	Accounting for board resignation-related activities
PASB-044	Accounting for board appointment-related activities
PASB-045	Accounting for board termination-related activities
PASB-046	Accounting for board restructuring-related activities
PASB-047	Accounting for board merger-related activities
PASB-048	Accounting for board acquisition-related activities
PASB-049	Accounting for board divestiture-related activities
PASB-050	Accounting for board dissolution-related activities
PASB-051	Accounting for board liquidation-related activities
PASB-052	Accounting for board bankruptcy-related activities
PASB-053	Accounting for board reorganization-related activities
PASB-054	Accounting for board conversion-related activities
PASB-055	Accounting for board merger-related activities
PASB-056	Accounting for board acquisition-related activities
PASB-057	Accounting for board divestiture-related activities
PASB-058	Accounting for board dissolution-related activities
PASB-059	Accounting for board liquidation-related activities
PASB-060	Accounting for board bankruptcy-related activities
PASB-061	Accounting for board reorganization-related activities
PASB-062	Accounting for board conversion-related activities
PASB-063	Accounting for board merger-related activities
PASB-064	Accounting for board acquisition-related activities
PASB-065	Accounting for board divestiture-related activities
PASB-066	Accounting for board dissolution-related activities
PASB-067	Accounting for board liquidation-related activities
PASB-068	Accounting for board bankruptcy-related activities
PASB-069	Accounting for board reorganization-related activities
PASB-070	Accounting for board conversion-related activities
PASB-071	Accounting for board merger-related activities
PASB-072	Accounting for board acquisition-related activities
PASB-073	Accounting for board divestiture-related activities
PASB-074	Accounting for board dissolution-related activities
PASB-075	Accounting for board liquidation-related activities
PASB-076	Accounting for board bankruptcy-related activities
PASB-077	Accounting for board reorganization-related activities
PASB-078	Accounting for board conversion-related activities
PASB-079	Accounting for board merger-related activities
PASB-080	Accounting for board acquisition-related activities
PASB-081	Accounting for board divestiture-related activities
PASB-082	Accounting for board dissolution-related activities
PASB-083	Accounting for board liquidation-related activities
PASB-084	Accounting for board bankruptcy-related activities
PASB-085	Accounting for board reorganization-related activities
PASB-086	Accounting for board conversion-related activities
PASB-087	Accounting for board merger-related activities
PASB-088	Accounting for board acquisition-related activities
PASB-089	Accounting for board divestiture-related activities
PASB-090	Accounting for board dissolution-related activities
PASB-091	Accounting for board liquidation-related activities
PASB-092	Accounting for board bankruptcy-related activities
PASB-093	Accounting for board reorganization-related activities
PASB-094	Accounting for board conversion-related activities
PASB-095	Accounting for board merger-related activities
PASB-096	Accounting for board acquisition-related activities
PASB-097	Accounting for board divestiture-related activities
PASB-098	Accounting for board dissolution-related activities
PASB-099	Accounting for board liquidation-related activities
PASB-100	Accounting for board bankruptcy-related activities

GRI

GRI CONTENT INDEX

General Standard Disclosures

GRI Indicator	Description	Location
GRI 101-1	Name of Organisation	Headline/Group
GRI 102-1	Identified Location	Sub Table: Environmental
GRI 102-2	Strengths and Weaknesses and Management System and Distribution of Key Risks and Opportunities	Sub Table: Social
GRI 102-3	Activities, Products, Processes and Services	Corporate Overview
GRI 102-4	Material Topics	Materiality
GRI 102-5	Locations of Operations	Corporate Overview
GRI 102-6	Ownership and Legal Forms	2020 Form: GRI, Part 1, a, 1
GRI 102-7	Material Demand	Corporate Overview
GRI 102-8	State of Operations	2020 Form: GRI, Part 1, a, 1
GRI 102-9	Information on Key Risks and Other Matters	2020 Form: GRI, Part 1, a, 1
GRI 102-10	Significant Changes to the Organisation and its	2020 Form: GRI, Part 1, a, 1

EESG Data

Investor Relations Contacts & Other Information



25 YEARS of
Lighting the Way

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firstenergy@amstock.com
1.800.736.3402

Political Overview

(P) President
(C) Chair
(VC) Vice Chair



Governor		
Michael DeWine	R	2027
PUCO		
Jenifer French (C)	R	2024
Vacant ⁽¹⁾	–	–
Lawrence K. Friedeman	D	2025
Dennis P. Deters	R	2026
Daniel R. Conway	R	2027



Governor		
Josh Shapiro	D	2027
PA PUC		
Gladys Dutrieuille (C)	D	2023
Steve DeFrank (VC)	D	2025
John F. Coleman, Jr.	R	2026
Ralph Yanora	R	2024
Katie Zerfuss	D	2026



Governor		
Phillip D. Murphy	D	2026
NJ BPU		
Joseph L. Fiordaliso (P)	D	2025
Dianne Solomon ⁽²⁾	R	Holdover
Robert Gordon	D	2023
Zenon Christodoulou	D	2026
Mary-Anna Holden ⁽²⁾	R	Holdover



Governor		
James C. Justice, Jr.	R	2025
WV PSC		
Charlotte R. Lane (C)	R	2025
Renee A. Larrick	R	2023
William B. Raney	I	2027



Governor		
Wes Moore	D	2027
MD PSC		
Jason M. Stanek (C)	R	2023
Patrice Bubar ⁽³⁾	D	2024
Michael T. Richard	R	2025
Anthony J. O'Donnell	R	2026
Odogwu (Obi) Linton ⁽³⁾	D	2027



FERC		
Willie L. Phillips (Acting Chair)	D	2026
James Danly	R	2023
Allison Clements	D	2024
Mark Christie	R	2025
Vacant	–	–
Qualifications: Up to five commissioners who serve five-year terms; appointed by the President with advice/consent of U.S. Senate		

⁽¹⁾ John Williams (I) was nominated on February 3, 2023, and now awaits Senate confirmation

⁽²⁾ NJ BPU Commissioners Dianne Solomon and Mary-Anna Holden have expired terms but remain in holdover status

⁽³⁾ The Governor recently announced his intent to withdraw the nominations of Bubar and Linton and intends to offer new nominations by February 17th. Both Bubar and Linton were awaiting Senate confirmation.

Commonly Used Terms & Acronyms

ADIT	Accumulated Deferred Income Taxes	FEU	FirstEnergy Utilities	S&P	Standard & Poor's
AFUDC	Allowance for Funds Used During Construction	FFO	Funds From Operations	SEET	Significantly Excessive Earnings Test
AMI	Advanced Metering Infrastructure	GEN	Generation Service Rider	Sf₆	Sulfur Hexafluoride
BGS	Basic Generation Service	Gx	Generation	SIP	Stock Investment Plan
BOD	Board of Directors	GAAP	Generally Accepted Accounting Principles	SOS	Standard Offer Service
CapEx	Capital Expenditures	GHG	Greenhouse Gases	SRC	Storm Recovery Charge
CDD	Cooling Degree Days	HDD	Heating Degree Days	TCJA	Tax Cuts and Jobs Act
CFO	Cash From Operations	kV	Kilovolt	TTM	Trailing Twelve Months
CFO pre-WC	Cash From Operations pre-Working Capital	kWh	Kilowatt-hour	Tx	Transmission
CO₂	Carbon Dioxide	LDR	Lost Distribution Revenues	WC	Working Capital
CWIP	Construction Work in Progress	LTD	Long-Term Debt	WV PSC	West Virginia Public Service Commission
DCR	Delivery Capital Recovery	LTIIP	Long-Term Infrastructure Improvement Plan	YE	Year End
DMR	Distribution Modernization Rider	MD PSC	Maryland Public Service Commission		
DPA	Deferred Prosecution Agreement	MTM	Mark-to-Market		
DRIP	Dividend Reinvestment Plan	MW	Megawatt	FirstEnergy Companies	
DSE	Demand Side Management and Energy Efficiency	MWH	Megawatt-hour	AGC	Allegheny Generating Company
DSIC	Distribution System Improvement Charge	NJ BPU	New Jersey Board of Public Utilities	ATSI	American Transmission Systems, Incorporated
DSSR	Default Service Support Rider	NGC	Non-Utility Generation Charge	CEI	The Cleveland Electric Illuminating Company
Dx	Distribution	NMB	Non-Market Based	FET	FirstEnergy Transmission, LLC
EDIS	Electric Distribution Investment Surcharge	OSHA	Occupational Safety and Health Administration	JCP&L	Jersey Central Power & Light Company
EDIT	Excessive Deferred Income Taxes	OPEB	Other Post-Employment Benefits	KATCo	Keystone Appalachian Transmission Company
EE	Energy Efficiency	OVEC	Ohio Valley Electric Corporation	MAIT	Mid-Atlantic Interstate Transmission, LLC
EE&C	Energy Efficiency & Conservation	PA PUC	Pennsylvania Public Utility Commission	ME	Metropolitan Edison Company
ELG	Effluent Limitation Guidelines	PBO	Projected Benefit Obligation	MP	Monongahela Power Company
EmT	Emerging Technologies	PJM	PJM Interconnection, LLC	OH Companies	OE, CEI, TE
ENEC	Expanded Net Energy Costs	PPA	Purchase Power Agreement	OE	Ohio Edison Company
EPS	Earnings per Share	PTC	Price-to-Compare	PA Companies	ME, PN, PP, WPP
ESG	Environmental, Social, and Governance	PTCO	Public Utilities Commission of Ohio	PE	The Potomac Edison Company
ESP	Electric Security Plan	RD	Regulated Distribution	PN	Pennsylvania Electric Company
ETF	Energizing the Future	ROA	Return on Assets	PP	Pennsylvania Power Company
ETR	Effective Tax Rate	ROE	Return on Equity	TE	The Toledo Edison Company
EV	Electric Vehicle	RRC	Regional Greenhouse Gas Initiative (RGGI) Recovery Charge	TrAILCo	Trans-Allegheny Interstate Line Company
FCF	Free Cash Flow	RT	Regulated Transmission	WPP	West Penn Power Company
FERC	Federal Energy Regulatory Commission	RTO	Regional Transmission Organization		

2022 GAAP to Operating (Non-GAAP) Earnings⁽¹⁾ Reconciliation

(In \$M, except per share amounts)

	2022A			
	Regulated Distribution	Regulated Transmission	Corporate/ Other	FirstEnergy Consolidated
2022 Earnings (Loss) Attributable to FirstEnergy Corp. (GAAP)	\$957	\$361	(\$912)	\$406
2022 Earnings (Loss) Per Share (571M shares)	\$1.68	\$0.63	(\$1.60)	\$0.71
Excluding Special Items:				
Regulatory Charges	\$0.01	\$0.20	–	\$0.21
Debt-Related Costs	–	–	\$0.25	\$0.25
State Tax Legislative Changes	–	–	\$0.01	\$0.01
Strategic Transaction Charges	–	–	\$1.23	\$1.23
Exit of Generation	–	–	\$0.02	\$0.02
FE Forward Cost to Achieve	\$0.03	–	–	\$0.03
Investigation and Other Related Costs	–	–	\$0.08	\$0.08
Mark-to-market adjustments – Pension/OPEB actuarial assumptions	\$0.06	–	(\$0.19)	(\$0.13)
Total Special Items	\$0.10	\$0.20	\$1.40	\$1.70
2022 Operating Earnings (Loss) Per Share – Non-GAAP (571M shares)	\$1.78	\$0.83	(\$0.20)	\$2.41

⁽¹⁾ Operating earnings exclude special items as described in the reconciliation table above and is a non-GAAP financial measure.

Per share amounts for the special items above are based on the after-tax effect of each item divided by the number of shares outstanding for the period. The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount if deductible/taxable. The income tax rates range from 21% to 29%.

2022 Special Items⁽¹⁾

- **Regulatory Charges** – Primarily reflects the impact of regulatory agreements, proceedings, audits, concessions or orders requiring certain commitments, refunds, and/or disallowing the recoverability of costs, net of related credits.
- **Debt-Related Costs** – Primarily reflects costs associated with the redemption and early retirement of debt.
- **State Tax Legislative Changes** – Primarily reflects charges resulting from state tax legislative changes.
- **Strategic Transaction Charges** – Primarily reflects net tax charges associated with the FET minority asset sale.
- **Exit of Generation** – Primarily reflects charges resulting from the exit of competitive operations.
- **FE Forward Cost to Achieve** – Primarily reflects certain advisory costs incurred to transform the Company for the future.
- **Investigation and Other Related Costs** – Primarily reflects the DPA penalty, investigation and litigation settlement and reserves, and other legal and advisory expenses related to the government investigations.
- **Mark-to-market adjustments: Pension/OPEB actuarial assumptions** – Reflects the change in fair value of plan assets and net actuarial gains and losses associated with the Company's pension and other post-employment benefit plans.

⁽¹⁾ Special items represent charges incurred or benefits realized that management believes are not indicative of, or may obscure trends useful in evaluating the company's ongoing core activities and results of operations or otherwise warrant separate classification. Special items are not necessarily non-recurring.

Forward-Looking Statements

Forward-Looking Statements: This FactBook 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 entered into July 21, 2021 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 dismissal of the derivative shareholder lawsuits; changes in national and regional economic conditions, including recession, inflationary pressure, supply chain disruptions, higher energy costs, and workforce impacts, affecting us and/or our customers and those vendors with which we do business; 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 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; the ability to accomplish or realize anticipated benefits, particularly operations and maintenance expense savings, 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 in line with our annual growth rate target, strengthening our balance sheet, and satisfying the conditions necessary to close the sale of additional membership interests of FirstEnergy Transmission, LLC; changing market conditions affecting the measurement of certain liabilities and the value of assets held in our pension trusts may negatively impact our forecasted growth rate, results of operations, and may also cause us to make contributions to our pension sooner or in amounts that are larger than currently anticipated; mitigating exposure for remedial activities associated with retired and formerly owned electric generation assets; changes to environmental laws and regulations, including but not limited to those related to climate change; 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; 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; 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; the potential of non-compliance with debt covenants in our credit facilities; the ability to comply with applicable reliability standards and energy efficiency or peak demand reduction mandates; human capital management challenges, including among other things, attracting and retaining appropriately trained and qualified employees and labor disruptions by our unionized workforce; changes to significant accounting policies; any changes in tax laws or regulations, including, but not limited to, the Inflation Reduction Act of 2022, or adverse tax audit results or rulings; and 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 Quarterly Report on Form 10-Q, and any subsequent Quarterly Reports on Form 10-Q and 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.

Forward-looking and other statements in this FactBook regarding our Climate Strategy, including our greenhouse gas emission reduction goals, are not an indication that these statements are necessarily material to investors or required to be disclosed in our filings with the SEC. In addition, historical, current and forward-looking statements regarding climate matters, including greenhouse gas emissions, may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve and assumptions that are subject to change in the future.

Non-GAAP Financial Matters

This presentation contains references to non-GAAP financial measures including, among others, Operating earnings (loss), Operating earnings (loss) per share (EPS), and Operating earnings (loss) per share (EPS) by segment. Generally, a non-GAAP financial measure is a numerical measure of a company's historical or future financial performance, financial position, or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with accounting principles generally accepted in the United States (GAAP). Operating earnings (loss), Operating earnings (loss) per share, and Operating earnings (loss) per share by segment are not calculated in accordance with GAAP to the extent they exclude the impact of "special items." Special items represent charges incurred or benefits realized that management believes are not indicative of, or may obscure trends useful in evaluating the Company's ongoing core activities and results of operations or otherwise warrant separate classification. Special items are not necessarily non-recurring. Management cannot estimate on a forward-looking basis the impact of these items in the context of long-term annual operating EPS growth rate projections because these items, which could be significant, are difficult to predict and may be highly variable. Consequently, the Company is unable to reconcile long-term annual operating EPS growth projections to a GAAP measure without unreasonable effort.

Basic (GAAP) EPS and Operating EPS and Basic (GAAP) EPS and Operating EPS for each segment are calculated by dividing Operating earnings (loss), which excludes special items as discussed above, for the periods presented by 571 million shares for full year 2022

Management uses non-GAAP financial measures such as Operating earnings (loss), and Operating earnings (loss) per share to evaluate the Company's performance and manage its operations and frequently references these non-GAAP financial measures in its decision-making, using them to facilitate historical and ongoing performance comparisons. Additionally, management uses Operating earnings (loss) per share by segment to further evaluate the Company's performance by segment and references this non-GAAP financial measure in its decision-making. Management believes that the non-GAAP financial measures of Operating earnings (loss), Operating earnings (loss) per share and Operating earnings (loss) per share by segment provide consistent and comparable measures of performance of its businesses on an ongoing basis. Management also believes that such measures are useful to shareholders and other interested parties to understand performance trends and evaluate the Company against its peer group by presenting period-over-period operating results without the effect of certain charges or benefits that may not be consistent or comparable across periods or across the Company's peer group. All of these non-GAAP financial measures are intended to complement, and are not considered as alternatives to, the most directly comparable GAAP financial measures. Also, the non-GAAP financial measures may not be comparable to similarly titled measures used by other entities.

Pursuant to the requirements of Regulation G, FE has provided, where possible without unreasonable effort, quantitative reconciliations within this presentation of the non-GAAP financial measures to the most directly comparable GAAP financial measures.